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Daily Report

East Europe

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FBIS-EEU-94-189 *29 September 1994*

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NOTICE TO READERS: Effective 1 October, the processing indicators appearing in brackets at the start of each item in this publication will be changed. All new indicators will begin with "FBIS" to make the material more easily identifiable in databases. Some will also indicate whether the item has been translated from the vernacular or transcribed from English.

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Assembly Introduces Visa Requirement for Greeks

AU2809210894 Paris AFP in English 2047 GMT 28 Sep 94

[Text] Tirana, Sept 28 (AFP)—Albanian legislators approved Wednesday a presidential decree forbidding Greeks from entering Albania without a visa.

The decree, which waived visa requirements for nationals from Arab countries and Israel, was adopted by 60 of the 83 deputies taking part in the vote. Socialist lawmakers voted against the measure saying it amounted to a "political act which would not contribute to setting up a climate favorable to dialogue" with Greece.

The two countries have been embroiled in a bitter dispute over Albania's ethnic Greek minority. Tensions mounted earlier this month after five ethnic Greeks were jailed on charges of spying for Athens, which retaliated by clamping down on clandestine Albanian immigration. Greece has until now ignored all Tirana's calls for dialogue, setting the release of the five ethnic Greeks as a precondition to normalisation of relations. Albania abolished visas for all members of the 12-nation European Community (now Union) two years ago.

Foreign Minister Attending UN General Assembly

LD2809211094 Tirana Radio Tirana in English 1900 GMT 28 Sep 94

[Text] An Albanian delegation headed by the Minister of Foreign Affairs, Alfred Serreqi is attending the 49th session of the UN General Assembly. The establishment of stability, tranquility, and a good understanding in the region are the messages to be conveyed by the Albanian delegation.

The Albanian delegation is to meet with UN Secretary General Butrus-Ghali and the foreign ministers of Germany, France, China, and other countries, and with the representatives of the Albanian diaspora in America.

Deputies Demand Hajdari's Removal From Commission

AU2709170494 Lezhe KOHA JONE in Albanian 22 Sep 94 p 3

[Report by T. Cela: "Democratic Party Deputies Against Azem Hajdari"]

[Text] Azem Hajdari, chairman of the Parliamentary Commission for Defense, Order, and the ShIK [National Intelligence Service], will apparently fall one further rung down his party's hierarchy. At a meeting late Tuesday evening [20 September], deputies of the ruling party called for his removal from this post, the final one left to one of the founders of the Democratic Party [PD]. As the newspaper RILINDJA DEMOKRATIKE reported on the following day, the group of PD-ite deputies also discussed the stand Hajdari took during the national strike of the former political prisoners and victims of persecution. It is now well known that, in supporting the strikers whom the PD later labeled extremists and tools of the former secret police, Hajdari took a stand diametrically opposed to that of his party, a stand for which he is apparently paying today. However, Hajdari did not rest content with supporting the movement of the victims of persecution, but joined their ranks as one of the last to emerge from the ransacked building in which the strikers had holed up.

From this moment on, the hands of the clock seemed to run backwards for this man of December [1990]. As in similar cases, RILINDJA DEMOKRATIKE was the first to announce this. The paper had often either directly or indirectly attacked Hajdari, not only over the recent past, but over his current activities, reminding him that the weakest go to the wall in the jungle of Albanian politics. Hajdari's stand on the demand of the deputies of his legislative group is still unknown, while he continues "de jure" to occupy the post in question. It is also unknown when the commission and [passage indistinct] opposition have long demanded its examination, something which the PD deputies have not conceded. So far, there are only precedents that lead one to believe that, if the legislative group has decided to dismiss the man who was the PD's first chairman, the rest is a mere formality. How will Hajdari respond to this step on the part of those with whom he sat on the same legislative wing three years ago? During the days of the strike, he had warned of a series of resignations if the strikers' demands were not met.

Will the leader of December stand by his former declarations? Will he agree to cohabit with those whom he denounced for illegal behavior during the strike? The PD's first chairman has still not spoken out. He is perhaps waiting for the response of the legislature, which yesterday also removed independent Deputy Kidvan Peshkepia from the Commission for Defense, Order, and the ShIK.

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Party Leaders Expect Rejection of Ludzhev Cabinet

AU2809183394 Sofia Khorizont Radio Network in Bulgarian 1700 GMT 28 Sep 94

[Text] After ascertaining the official position of the BSP [Bulgarian Socialist Party] and the opinion trends within the SDS [Union of Democratic forces], the Alliance for Social Democracy [OSD] is of the opinion that parliament will reject the proposed cabinet with Dimitur Ludzhev as prime minister. OSD leader Chavdar Kyuranov made this statement at a news conference today. The OSD Socialists will ask the BSP Supreme Council to convene a special party plenum to discuss the BSP's stance in the present political situation.

The government formula proposed by Dimitur Ludzhev, which presupposes a strong-arm form of government, is not the answer to the country's problems. This is the position of the Civic Alliance for the Republic [GOR], which its chairman Aleksandur Tomov announced at a news briefing today. In his view, President Zhelev's decision to offer the mandate to New Choice was a gross error on his part. At the present time, Bulgaria needs a government of national consensus so as to be able to suppress the negative processes in the economy and social life, not a cabinet that will rule in the name of all and will fail to overcome the atmosphere of confrontation—this was Aleksandur Tomov's comment.

BZNS Secretary on Possible Political Alliance

AU2909102994 Sofia TRUD in Bulgarian 21 Sep 94 p 9

[Interview with BZNS Chief Secretary Anastasiya Mozer by Todor Tokin; place and date not given: "With 50 Members One Makes a Conference, with 150,000—an Organization"]

[Excerpts] [Tokin] Mrs. Mozer, after the unification congress of the Bulgarian Agrarian National Union [BZNS] one expected that a coalition with the Union of Democratic Forces [SDS] would be formed. You maintained frequent contacts. Did the idea fail?

[Mozer] We did not foil the idea of establishing a union of all democratic forces in Bulgaria. On the contrary, we always supported the idea. The SDS is responsible for no lasting agreement being reached. For our part, we gave our consent to such an agreement.

[Tokin] Recently the people began to speak about the closer relations that developed between the BZNS and Mr. Stefan Savov's Democratic Party. What would this be: a democratic alliance, a Christian democratic union, or a Christian social union?

[Mozer] There is no final decision on this matter, which can only be decided by the two organizations' supreme bodies. We had serious talks. It is true that our relations are linked to the Christian democracy concept. There is a reason for this. The Radical Democratic Party [RDP] is a member of the Liberal International, while the BZNS and the Democratic Party are observers at the European Christian Democratic Union and the Christian Democratic International. We could only be pleased with this, because after the war Christian democracy in Europe became the foundation of the European Union. This union is based on the federation principle, which is a fundamental principle in the ideas of Aleksandur Stamboliyski. Stamboliyski and the BZNS have always championed the idea of establishing a European United States. [passage omitted]

[Tokin] Many people are puzzled by the eventual union between the republican BZNS and the Democratic Party.

[Mozer] The Democratic Party is not necessarily a monarchist party. There are several currents in that party, among them a monarchist and a republican one. One should not generalize on this subject. Besides, at present we do not determine the form of government, but whether or not Bulgaria will be a democracy. [passage omitted]

[Tokin] What is your attitude toward the six agrarian formations that formed a confederation....

[Mozer] They did not exist when we restored the unity of the BZNS. They emerged afterward, and everyone should understand why they emerged. We said that the doors of the united BZNS are broadly open to everyone who wants to work with us rather than against us. Those small groups have structures only in Sofia. Only the group formed within the SDS with the sole purpose of splitting the BZNS is different in this respect. With 50 members one makes a conference, with 150,000—an organization. Such is the BZNS. We shall strive to remain an independent union, while some of these groups immediately offered their services to the SDS or the Bulgarian Socialist Party. Other groups were established by the former nomenclature. I always say that each group has its own party commissar. [passage omitted]

[Tokin] Could the BZNS appear alone in the forthcoming elections?

[Mozer] It could, and we have discussed this possibility. However, it would be better if the BZNS could form a broad coalition that could inspire with hope and faith all those who are disappointed and say that they will not vote. We would be pleased if we could organize a broad support for the idea of consolidating all democratic forces. Let us not be concerned that several large democratic formations could exist in Bulgaria. Democracy needs broad support. [passage omitted]

Fatherland Alliance, Liberals Party Form Coalition

AU2709170094 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 27 Sep 94

[Text] The Alliance for the Fatherland, represented by Ginyo Ganev, and the Bulgarian Liberals Party, represented by Petko Simeonov, have signed a political agreement.

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The two parties declare in their agreement that they are uniting around principles and goals such as asserting parliamentarism, sharply accelerating the reforms, overcoming the bipolar model, and decisively rejecting the current one-sided and inefficient transition toward the market economy.

Party Leaders Meet To Discuss Political Issues

AU2709112494 Sofia NOVINI 5 in Bulgarian 16 Sep 94 p 3

[Text] The Constitution is the result of a compromise with the BSP [Bulgarian Socialist Party], but it should not be changed by the present National Assembly—this was the common view expressed at yesterday's meeting between Stefan Radoslavov, chief secretary of the BSDP [Bulgarian Social Democratic Party], and Stefan Sofiyanski and Evgeni Mikhaylov, deputy chairmen of the SDS [Union of Democratic Forces] National Coordinating Council.

While discussing the current political situation in Bulgaria, the two sides reached the unanimous view that the problem of "communism or democracy" is not yet solved. They declared their attitude to early parliamentary elections. The SDS representatives confirmed the strong SDS demand to hold elections as soon as possible. The BSDP leadership expressed reservations on the possibility of forming a government during the term of the present parliament. The two sides also agreed that the next parliament should amend the Constitution so as to clarify whether Bulgaria is a parliamentary or presidential republic, Radoslavov and Mikhaylov announced at the conclusion of their talks at BSDP headquarters. They claimed that the changes proposed by the BSP were to the disadvantage of the extraparliamentary forces.

The SDS representatives confirmed their position that in the next parliament SDS would not form a coalition government with the former communists under any circumstances. However, Radoslavov said that the BSDP is willing to enter a broad coalition that included BSP representatives.

The two sides agreed that the elections will only be delayed if the present parliament amends the Electoral Law. Both sides were ready to maintain contacts in the future.

BSP's Stoilov on Need to Amend Constitution

AU2709123994 Sofia TRUD in Bulgarian 16 Sep 94 p 9

[Interview with Yanaki Stoilov, deputy chairman of BSP Supreme Council, by Todor Tokin; place and date not given: "National Consensus Should Be Achieved First of All in Society at Large"]

[Excerpts] [Tokin] Mr. Stoilov, why does the Bulgarian Socialist Party [BSP] call for amendments to the Constitution so insistently? Is this demand aimed at curtailing the president's powers?

[Stoilov] Our proposal is that the National Assembly should continue to exercise its powers during the period until a new parliament is elected. The proposal is motivated by the existing distrust between the institutions and certain politicians' stated intentions to exploit the time that a caretaker government is in office to achieve their own selfish aims. I admit that the continued functioning of parliament may itself increase the distrust between the president and parliament. Nevertheless, it is better to preserve a certain balance between the institutions, even in this sensitive period. One should keep in mind that the proposal does not entail reviewing the president's powers, but puts the caretaker government under limited and indirect parliamentary control.

[Tokin] What are the results of the consultations that the BSP has been holding recently with the extraparliamentary parties?

[Stoilov] In connection with the government crisis that has arisen, over a period of only a few days we have held talks with the BSDP [Bulgarian Social Democratic Party], Aleksandur Stamboliyski's BZNS [Bulgarian National Agrarian Union], the Ecoglasnost Political Club, the New Bulgaria Party and the Alliance for the Fatherland. Every one of these parties, to a greater or lesser extent, shares our view that early elections are the best way to resolve the crisis. Our views differed regarding amending the Constitution and our proposed electoral system. The organizations that at the moment are prepared to cooperate with the BSP in an election campaign, and possibly to establish partnership relations with us, all support our proposed bill for a new electoral system partially or in principle.

[Tokin] Is it not somewhat strange that the SDS [Union of Democratic Forces] and the BSP are surprisingly cooperating in trying to provoke early elections? Is it normal to share the same idea with your political opponent?

[Stoilov] In my view, there is nothing strange in the fact that the parties in Bulgaria that at present have a tangible influence on society are turning their attention toward early elections, because the majority of BSP and SDS supporters recognize that we need these elections to emerge from the crisis. There is nothing bad about sitting down together to draft and agree on the rules for any competition. Unfortunately, however, our positions do not coincide on fundamental issues regarding these rules, such as the electoral law, for example. By changing the electoral system, we want to involve citizens to a greater extent in choosing policies and selecting the people to carry them out. At the same time, we want to create the conditions for an effective, stable, and responsible administration. In this respect, the SDS's behavior shows that they have different aims, namely to preserve the present electoral system so as to resolve the internal conflicts within their coalition. [passage omitted]

[Tokin] Are you sure, Mr. Stoilov, that all the deputies in the PSSD [Parliamentary Union for Social Democracy]

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will fulfill the resolution of the BSP plenum on 13 September when they make their own decisions on whether to support another government within the term of the current parliament?

[Stoilov] The resolution was unanimously passed by the members of the BSP Supreme Council and by the parliamentary deputies representing the BSP and the coalition. Nevertheless, it is evident that some deputies voted for the resolution with unspoken reservations, but I hope that as a whole all those who took part or did not take part in passing the resolution will act in conformity with the political position that we chose. [passage omitted]

[Tokin] Are you afraid that after you declined your own mandate to form a government and refused to support a government formed under the mandate of another parliamentary group, everyone may unite against you and form an anti-BSP government?

[Stoilov] This possibility cannot be excluded. However, we can try to ensure that it does not come about, and this largely depends on our ability to act in unison. However, every political formation must assume its own share of responsibility. Accordingly, we are running risks on the road to early elections before the year's end. Those who propose and choose a different road must also assume their responsibility to society. At the moment, the chances of holding early elections are better than they were two or three months ago. I realize that this balance may shift one way or the other during the coming weeks.

[Tokin] What if the balance shifts greatly in the other direction? Is there any possibility of you reviewing the resolutions of the 41st BSP Congress and your recent plenum?

[Stoilov] For this to happen, certain exceptional events have to occur, and I do not foresee this at the moment. I hope that such circumstances will not be fabricated, and I trust that they will not arise.

Raychevski Explains Democratic Party-1896 Goals

AU2709143994 Sofia 24 CHASA in Bulgarian 13 Sep 94 p 12

[Interview with "Democratic Party-1896 leader" Stoyan Raychevski by Yovo Nikolov; place and date not given: "Our Party's Program Is: We Remain in SDS"]

[Excerpts] [Nikolov] Mr. Raychevski, why did you create the Democratic Party-1896?

[Raychevski] We created the party because of the decision of the Democratic Party to not sign the political agreement with the Union of Democratic Forces [SDS]. This practically placed the party outside the coalition. A large part of the Democratic Party members do not want to remain outside the SDS during the upcoming election campaign. There was no other solution to the problem except forming a new Democratic Party.

[Nikolov] Does the SDS National Coordinating Council deal with inconvenient parties by creating doubles?

[Raychevski] We are establishing a new party, and thus we observe the Election Law and all other laws in our country. We do not split a party in order to transfer one part of it to another coalition without the assent of its leadership. [passage omitted]

[Nikolov] However, do you not weaken the Democratic Party and thus strengthen the SDS by moving a part of the Democratic Party membership to the ranks of the Democratic Party-1896?

[Raychevski] Most of the members of all parties within the SDS have joined various parties only to become active members of the SDS. The great task is to turn Bulgaria into a really normal and democratic state and implement the program that attracted all of us and united us in the name of the democratic forces' cause.

[Nikolov] Do you not believe that the Democratic Party could appear alone in the next elections?

[Raychevski] I do not believe that any party, which leaves the SDS, would have great success in the elections.

For us it is much more important that the SDS is successful. The historical experience shows that a party which leaves the SDS cannot rely on an eventual success. There were big parties such as Dertliev's party [Bulgarian Social Democratic Party] and Drenchev's party [Nikola Petkov Bulgarian Agrarian National Union], which did not make any impression in the elections and dropped out of the country's legislative life. The active members of the Democratic Party face the same danger. This is not only the danger of remaining outside the country's legislative life, but also the fact that by this the party would weaken the SDS, because its members will remain outside the parliament. [passage omitted]

[Nikolov] How many branches of the Democratic Party support you?

[Raychevski] This will become clear when we have all the information. Representatives of 54 branches appeared at out constituent conference. The representatives of 34 branches appeared with protocols which stipulated that the branches join the Democratic Party-1896 in whole, while the other branches were represented by some of their members. At present we are collecting the relevant information and documents. [passage omitted]

[Raychevski] With what new program would you try to convince the local branches of the Democratic Party to join you?

[Raychevski] We do not have any special new program. All we say is that we remain in the SDS. Actually "remain" is a bit speculative, because according to the

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charter and procedure we must first become candidate members of the SDS, and only then full members. I believe that we will be admitted. If we remain in the SDS, or rather join it, all those who want to stay in the SDS will come to our party. This is why we established the new party, so that all those who want to remain in the SDS could joint us. [passage omitted]

IAEA Sees 'Positive Results' at Kozloduy Plant

AU2909145794 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 29 Sep 94

[Text] On 29 September Dr. Hans Blix, IAEA director, visited the Kozloduy Nuclear Plant. Veselin Angelov reports on the visit:

[Begin Angelov recording] In a conversation with the Kozloduy Nuclear Plant's management, Dr. Blix said that he has not come to inspect but rather to help with advice.

Four years ago Dr. Blix sent a letter to the Bulgarian Government in which he expressed concern with safety conditions at the Kozloduy Nuclear Plant. Now the positive results of the measures that were adopted are evident, and Dr. Blix congratulated the employees. For him Kozloduy is an example of positive cooperation under conditions of transparency and free information.

Nevertheless, Dr. Blix expressed certain concern with the Reactor One's safety. However, Kozma Kuzmanov, Kozloduy Nuclear Plant director, assured the guest that a special program on improving the capacities is being implemented. [end recording]

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President Interviewed on Entry Into EU

LD2809163994 Prague Radiozurnal Radio Network in Czech 1100 GMT 28 Sep 94

[Text] As we have already reported, Czech Prime Minister Vaclav Klaus had talks in France yesterday with his counterpart Edouard Balladur, Paris Mayor Chirac, and Interior Minister Pasqua. According to our prime minister, they talked mainly about Europe and about the questions that are currently being tackled by the European Union [EU]. Klaus said very clearly several times that the Czech Republic wanted to become a member of the EU as soon as possible.

Pavla Jazairova asked Prime Minister Klaus what this meant in detail:

[Begin recording] [Jazairova] Could you explain in what sense we will become real members of the EU, including the currency union? Will we accept all the rules, and what rules are they?

[Klaus] No, no, no. Asking about membership in the currency union, that is in something that does not yet exist. As an economist, I must say, it will not exist that easily. One should not ask the question in this way at all. The question should be asked somewhat differently. We simply do not want to stand aside; we do not want to be outsiders in Europe. We want to be inside. We want to participate in solutions and decisionmaking on many European issues. In this sense, it is logical that one cannot do it from the outside, and it would not be desirable, in any case.

The details—that is, how one will or will not continue in the process of the currency union—that is a question that is of secondary significance.

[Jazairova] We want our people to work in Western Europe. We want the West Europeans to work in this country. We want a free exchange of goods. And what else?

[Klaus] Well, the universal principle is to do away with all of the barriers in the way of the movement of everything: thinking, people, things, money, [word indistinct], manpower. This is certainly the core and the basic idea of any integration process. We certainly do not want to create some new kind of human being. We certainly do not want to create a European being that would differ from the rest of the world because this would be bad, unrealistic, and, above all, completely useless.

We must minimize all the obstacles to, on the one hand, the movement that I talked about a while ago. On the other hand, we must minimize the institutions that should, somewhere from above, govern the Europe that would be opened like this. This is a clear aim, and this is what we are concerned about. I believe that the majority of Europeans are also concerned about this.

[Jazairova] The last question: Will the French help us enter the EU?

[Klaus] If I am to judge by today's talks, France is shifting in its accent, which previously was on deepening the union first and expanding later. I think that the trend toward opening up was heard here quite strongly. The word "help" is yet another step. I think that the essence of the problem, within the framework of today's decision process, is how to continue in Europe, how to continue opening up the EU. I think that, in this sense, the views are being shifted toward opening up. [end recording]

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Uranium Seized on Border With Hungary

LD2809185494 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1730 GMT 28 Sep 94

[Excerpt] Yesterday, police at the Slovenske Nove Mesto border crossing with Hungary became witnesses and participants in an event that does not happen every day. They intercepted a delivery of a radioactive substance worth over 1 million korunas. Thus, following in the footsteps of heroin smugglers, in our country there emerge others who are testing their luck—or fate. Bibiana Gunisova learned more details about this case from Jaroslav Pilat, spokesman of the Police Corps Presidium.

[Begin Gunisova recording] First, we should perhaps make it clear who was transporting the radioactive substance.

[Pilat] Our officers detained the occupants of a VAZ motor vehicle, including four passengers, one of them being a 30-year-old woman. The age of the remaining passengers is between 27 and 39 years. The three men are Slovak subjects. They were transporting 1.5 kg of uranium. They were smuggling this highly radioactive substance in a cache under the back seat. The substance was hidden in a special case. Our police staff, who check in cooperation with the customs staff, carried out a check and discovered the case. [passage omitted]

Moravcik Assesses Government, Outlines Aims

AU2809103194 Bratislava SME in Slovak 21 Sep 94 p 5

[Interview with Prime Minister Jozef Moravcik, chairman of the Democratic Union of Slovakia, by Alena Gottweisova; place and date not given: "We Have To Concentrate on Building Slovak Statehood"]

[Text] Jozef Moravcik, chairman of the Democratic Union of Slovakia [DU], is one of the politicians who is constantly among the leaders in public opinion polls. His position, however, does not have a strong influence on DU's popularity because the public still perceives him mostly as the prime minister of the government that assumed office in March 1994.

[Gottweisova] Sir, you have been the head of government for six months. How would you evaluate this period and the activity of the government?

[Moravcik] One of the fundamental problems the government had to deal with was the deficit in the state budget. The state budget is the main tool the government has available to it to regulate economic processes and efficiently influence them. First of all, we had to ensure that the schools did not close down and that the school lunchrooms, kindergartens, the health-care system, and justice functioned properly. For this, we had to acquire funds. The budget was burdened with a heavy deficit from the previous year, and, moreover, we had to remove the discrepancy that it contained. The budget was badly drafted, and we had to acquire 10 billion korunas [Sk]. Because of that, it was necessary to change the law on the state budget and adjust the entire income and spending system so that the basic macroeconomic goals could be achieved, the goals we adopted in our policy. We have had 100-percent success in that respect because the development in the state budget is positive. The state debt with respect to the state budget will not exceed the limit of Sk14 billion. On the contrary, we expect that the debt will be lower. This will have a positive effect next year.

[Gottweisova] These steps were accompanied by higher consumer taxes, for instance, on beer, wine, alcohol, and tobacco products.

[Moravcik] We had to adopt certain unpopular measures to deal with the problem of the state budget, a problem we considered to be fundamental. In view of the basic macroeconomic viewpoints and the function of the state budget, it was inconceivable to secure the needs of the state budget at the cost of a higher deficit. It was an attractive possibility, but, when we took real possibilities into account and, above all, the needs of the economy in the future, we had to abandon the idea. We decided to take less popular measures and remove the discrepancies in the deficit.

[Gottweisova] There has been overall satisfaction in our society in recent months. Does this show up in the economic results, too?

[Moravcik] The peaceful atmosphere that has been created has had a positive impact on economic activities. We have received unequivocal signals about it from the entrepreneurial sphere. After the new government assumed power, the dialogue with foreign countries changed substantially, and certain barriers ceased to exist. The overall domestic atmosphere, too, has improved. This has to have had an impact on economic activities. In the second quarter of 1994, the gross domestic product [GDP] increased more sharply compared with the first quarter. It is a positive fact that the GDP increased by 4.4 percent in the first six months of the year compared with the same period last year. Foreign currency reserves—without gold reserves—have reached, even now, $1.4 billion, which is the level recommended by the International Monetary Fund—that is, triple the monthly volume of imports. Moreover, we have succeeded in stabilizing the level of unemployment. The successes in the sphere of the economy are obvious.

[Gottweisova] How do you evaluate the other results the government has achieved, apart from the economic ones? They say that man cannot live by bread alone. People need a feeling of security in the streets, at home....

[Moravcik] There are positive trends in the fight against crime. The number of solved crimes has increased, the rise in the crime rate is not so sharp as before. The presence of a concept has become visible in all spheres. In the education and health-care systems, everything has been prepared for the arrival of strong and positive systemic changes that will push the situation forward in all of these spheres.

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[Gottweisova] The Democratic Union [DU] describes itself as a liberal party. What do these values mean for you, and what are you offering the voters?

[Moravcik] The central point of the liberal concept, which our program contains, is the stress on the position of the individual and the development of his capabilities—that is, the creation of an environment that releases energy and encourages private initiative and responsibility. This is the fundamental approach that has become obvious in all directions—in the sphere of the economy mainly by support for entrepreneurial activity. The entire mechanism of relations between the state and the private sector is characterized by the fact that the state should intervene only when necessary. From this ensues the rationalization of the structure of the state administration and state mechanism. This means that it is necessary in the sphere of the economic conditions that the state creates to have a level of obligatory taxation that does not demotivate entrepreneurs. This is why we have included tax cuts in our program.

[Gottweisova] The entrepreneurs who complain about high taxes will welcome this. But, does this not contradict the needs of the state budget?

[Moravcik] The tax burden at present really represents the maximum limit, a limit that cannot be exceeded. The government had to make tax adjustments. The exceptional situation has enforced this step. We assumed office at the beginning of the budgetary year, and we had to solve problems within the framework of the budget. The goal of the DU is to lower the tax burden. Anyway, the existing estimates have convinced us that the actual tax burden is lower than that fixed by the law. The enormously burdened taxpayers seek ways to avoid their obligations. In fact, they pay less than they should. From this viewpoint, this is quite rational. There is a valid fundamental principle that, if taxes are lowered, more money is left for investments, economic activity recovers, the profit rate is higher, and the state budget's revenues are higher even when the tax rates are lower. However, this cannot be achieved instantaneously; there is a certain phase shift. To bridge this, we need to use sources from outside the budget—for example, from privatization.

[Gottweisova] Privatization has been a stumbling block for each government. The former government practically stopped it, and long discussions were held in your government. What will DU push for?

[Moravcik] Speeding up transformation is the basis because, otherwise, liberal policy cannot be put into practice. This means building on the initiative of citizens, and, when it is impossible to secure something by this initiative—or if it is necessary to coordinate it—the state will intervene. The extent of state intervention, however, should be minimal. Speeding up transformation also contains, in itself, the privatization process. Moreover, we want to provide, through transformation, certain stimuli for the economy and provide funds for development programs, mainly in construction. Despite the fact that production is on the rise, the extent of investments is stagnating or even declining slightly. This is why we must devote more funds to building apartments, highways, and the overall infrastructure. It is possible to finance these demanding development programs from the income from privatization.

[Gottweisova] In the West, the liberal parties are relatively small, and their members belong mostly to the intelligentsia. Toward which groups will you orient yourselves, and how will you appeal to them?

[Moravcik] Liberal policy has a future in our conditions. Let us take Slovenia as an example. The strongest party there is a liberal party, and Slovenia is achieving very good results. Of course, we are not orienting ourselves only toward the intelligentsia; the opinion polls indicate that we have broader support. We are orienting ourselves, first and foremost, toward the middle classes—businessmen, highly skilled and skilled workers, and civil servants. We are also offering an interesting program to agriculturists. So, we want to appeal to broader sectors of the population, to those who bear the burden of society's development, the economy's development, and the development of other spheres of life.

[Gottweisova] What do you think of the various promises being made at some party meetings during the election campaign to reduce taxes, increase wages, and provide interest-free loans for apartments for young families?

[Moravcik] These promises and intentions are not methodical; indeed, they are full of contradictions. If, on the one hand, we say reduce taxes and, on the other, provide interest-free loans for young families, there is a contradiction in this statement because, how will you persuade the banks to provide these loans? We do not have the kind of banks that could issue these loans from their own funds because, if this were the case, they would collapse. The state would have to give them the funds. It obtains them from its one and only source—the citizens' taxes and payments.

[Gottweisova] There is another possibility, one referred to recently by Mr. Kozlik [Movement for a Democratic Slovakia deputy chairman]—the Slovak National Bank would have to support the government.

[Moravcik] The National Bank has to cooperate with the government; otherwise, there could be a breakdown because monetary and budget policy are very closely linked. Sensible economic policy cannot be formulated without cooperation between the National Bank and the government. However, the National Bank cannot provide finance by turning on the presses and printing money because that would lead to inflation and that harms the economy. We have to maintain inflation under 10 percent. That is a sensible level that does not break the economy.

[Gottweisova] During your travels as prime minister, you have forged ties to foreign partners. How do they

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perceive Slovakia and its status and, as the case may be, the changes that have taken place in our country?

[Moravcik] Slovakia has been received very positively, which should satisfy all of its citizens. During this period, the Slovak Republic has acquired the reputation it deserves—it is now seen as a reliable partner by the world. The only obstacle to the development of all of the possibilities that exist is the anxiety about whether the trend we have created will continue after the election.

[Gottweisova] This anxiety has been expressed by some visitors to this country—for example, by the OPIC [Overseas Private Investment Corporation] mission—and also at the recent high-level G-24 conference. Therefore, the issue of the parties' and movements' foreign contacts is an important one. What can DU do in the sphere of foreign relations, and what kind of partners does it have abroad?

[Moravcik] Our direct partners are, first and foremost, the parties organized in the Liberal International. However, we are not shunning cooperation with the parties affiliated in the European Democratic Union. On the contrary, we are seeking contacts with them. This is not unusual. From the point of view of our orientation and foreign contacts, the Union for French Democracy (UDF) is a specific model for us.

[Gottweisova] The Slovak political right wing is divided into several parties that are not attempting to unite. Will you take any steps in this direction?

[Moravcik] DU was established by a merger of two parties—the Alliance of Democrats of Slovakia and the Alternative for Political Realism. We are working very intensively on an agreement with the National Democratic Party of Slovakia [NDS] on forming a single entity. We are now entering into the election together. We followed very closely a similar process in France, where the political right was also very fragmented but where a confederation of parties was formed gradually that united in the UDF. When I was in France in May, I held talks with Valery Giscard d'Estaing, the UDF chairman. He told me that they are already preparing the next step on the road toward closer association, on the principle of confederation. I think such a course of action would also be possible in our country. Cooperation with the Party of Entrepreneurs and Tradesmen is also being taken into consideration. We are also cooperating with the Democratic Party.

[Gottweisova] Our society is divided not only along right-left lines, but also according to attitudes toward the former CSFR. The Democratic Party was opposed to the division of the federation, and maintaining and developing good relations with the Czech Republic is an important point in its program. Will the fact that the NDS was formed from the Slovak National Party and that many NDS personalities were involved in the demise of the CSFR not be an obstacle to cooperation?

[Moravcik] I am convinced that it is now an anachronism to parade the issue of Czecho-Slovakia. This does not make sense. The Slovak Republic is here. It is absolutely logical, and it goes without saying that we will push for good relations with the Czech Republic because they correspond to the nature of the relations between the citizens of the two republics. However, we must concentrate on the way forward. We should not be divided according to our attitude toward the former Federation but should be united according to our program for development. We want to look forward, and all of my contacts with NDS members testify to the fact that they share the same view. If another partner with whom we would like closer cooperation also adopts such a course of action, there should be no problems or aggravation in mutual relations.

[Gottweisova] The opinions being expressed by some parties, that cooperation with the "former Czechoslovakists" endangers the Slovak Republic's independence and poses the threat that the CSFR will be reestablished, are associated with this. Are you not concerned about such attacks?

[Moravcik] I consider such attacks to be absurd. It is now absolutely clear that any ideas about reestablishing Czecho-Slovakia are politically quite unrealistic. We have to develop Slovak statehood, the Slovak economy, and an integral Slovakia so that we can become included as soon as possible among the other European nations. This means so that we become members of the European Union [EU]. This is a real goal that corresponds to our real needs. Dividing our people into Czechoslovakists and good Slovaks and so on within the EU is absurd.

[Gottweisova] Building statehood is associated with building the prestige of its bodies. What do you think of the fact that the ongoing election campaign is accompanied by attacks on the president?

[Moravcik] These activities are a terrible folly, especially on the part of those who spout Slovak statehood, because this is at variance with Slovak statehood. Respect for its institutions is a part of building statehood. If someone casts doubt on them, he does Slovakia a major disservice. Slovakia will not be respected as long as it has such problems. This is very bad per se. What is even worse is that these are steps that, along with other ones, are paving the way for some fundamental change in our constitutional system. We have to put a stop to this because the principles of an authoritarian regime could become enshrined in this constitutional change. This is a very dangerous and harmful political game not only with regard to foreign countries, but also with regard to all of Slovakia's citizens because an authoritarian regime is not a sensible alternative.

Commentary: Attempt To Cover Up Moravcik's Past

AU2809212094 Bratislava SLOVENSKA REPUBLIKA in Slovak 26 Sep 94 p 3

[Commentary by Juraj Fuchs: "Scarab: The State Security's Nondeclassified File"]

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[Text] So, now we know! After the Carnogurskyites helped the communists from the Party of the Democratic Left, the State Security [StB] members, and the "Leninist sparks" to attain power by means of a parliamentary putsch, we find out about their achievements in overthrowing totalitarianism. According to the TA SR, the StB kept tabs on the "Leninist Spark" as an antistate organization because it wanted to radically reform the Husak-Jakesite regime and its cancer of communism according to the recipe concocted by M. Gorbachev and reintroduce reform communism dependent on Moscow. However, a member of "Leninist Spark," interim Prime Minister Jozef Moravcik, was active in the organization and was still collecting Communist Party of Czechoslovakia [CPCZ] dues in 1990. Against whom? Who instructed him? At the beginning of 1990, the StB was already under the supervision of CSSR Deputy Prime Ministers J. Carnogursky and R. Sacher, but they had disavowed reform communism anyhow. The TA SR report did not explain this "trifle" from the StB's "classified" file.

It would not surprise me if the member of the "Leninist Spark," J. Moravcik, chairman of the Democratic Union and interim prime minister, were soon to receive from Interior Minister General L. Pittner, his government colleague and member of the Christian Democratic Movement [KDH] Presidium, an award for his services in overthrowing the communist regime. The Slovak Information Service (SIS) retrieved the StB's Scarab file from the ashes of the "incinerated" documents. It divulged the existence of the file (why?) but not its contents. Apparently, the Scarab file has not been declassified. We do not know, therefore, whom the StB planted in the "Leninist Spark," who its collaborator there was, or even if the StB controlled the "Leninists" directly.

The SIS should not have divulged the existence of the Scarab file because Slovakia needs "decent" people, even from among the "Leninists," who acknowledge understanding, a broad coalition, cooperation....

The argument that the StB kept tabs on the "Leninist Spark" sounds terribly unconvincing. After all, it also kept tabs on members of the CPCZ Central Committee Presidium, all of the Slovak Academy of Sciences scientific institutes, artistic associations, the Slovak Heritage Foundation, and so on—that is, all of the intellectual centers. This would also be confirmed by the StB's "incinerated" files retrieved from the "ashes."

J. Moravcik's interim government has a major interest in not declassifying the StB's files, especially the Scarab file. Declassification would confirm that the Carnogurskyites are in the government with "Leninists" or StB members and, in the spirit of Aryanization, support wanton privatization and apparent privatization because they are interested not in Christian policy but in property worth billions. Morality is an anachronism for the KDH—as it was for the communists. The TA SR report was contrived. It was intended to help the "Leninists," but it rebounded against them like a boomerang. J. Moravcik was an active communist, not a dissident, in 1990. A derivative of Scarab is "Scaramouche," which in French comedy means schemer. That is, the StB knew the character of its man.

It has even come to light, as reported by PRACE on 20 September, that NARODNA OBRODA's political commentator, Igor Cibula, was the cofounder of the "Leninist Spark." The anti-Meciar line of this "independent" newspaper evidently stems from this. The Leninist Igor Cibula determined the line this daily was to take and now, as head of the SIS intelligence service, has access to the "nondeclassified Scarab file." Declassifying the mysterious Scarab file before the election would cause an earthquake.

HZDS Fills Civil Posts; Investigation Launched

AU2909091294 Bratislava PRAVDA in Slovak 24 Sep 94 p 2

[TA SR report: "Promised Chairs; Prosecutor General Investigates Legitimacy of Movement for a Democratic Slovakia Procedure"]

[Text] On the basis of a legal complaint, the Prosecutor General's Office of the Slovak Republic [GP SR] has launched an investigation into the legitimacy of the procedure used by the Movement for a Democratic Slovakia [HZDS] when, on 9 September, it organized a competition to fill civil service posts. The investigation concerns the compatibility of this procedure with Law No. 424 of 1991 on association in political parties and movements. This was announced by Prosecutor Terezia Triznova from the GP SR yesterday when confirming the complaint's receipt.

On 13 May, the HZDS advertised the organization of a competition to fill leading posts in the production and nonproduction spheres of state administration, the foreign service, the banking system, and financial institutions. Successful candidates were promised by the movement employment in the civil service in the months October-December 1994. At that time, the Slovak Government assessed the HZDS initiative as a violation of the Constitution of the Slovak Republic and our legal system.

The TA SR has managed to obtain an excerpt from a list of tasks assigned by the HZDS Political Board, which HZDS office head Eduard Bezanuk mailed to the then minister of foreign affairs, Jozef Moravcik, on 7 October 1993. The list contains the following text: "In view of the fact that the HZDS Political Board has adopted a task that also concerns your ministry, I take the liberty to send you its wording: 154. To fill senior posts in the personnel and control departments of individual ministries with HZDS members." This text was faxed to the Ministry of Foreign Affairs from the HZDS headquarters.

A credible source who did not wish to be named said in this context that, as follows also from the above text, similar letters had been received by all ministries headed by HZDS members. The source did not rule out that, by organizing the competition, the HZDS was preparing the ground for new personnel changes in the event of the

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movement's electoral victory. Such changes have already been predicted by HZDS functionaries. Ivan Lexa, former head of the Slovak Government Office and state secretary at the Ministry for the Administration and Privatization of National Property, supposedly also emerged from a similar competition organized more than two years ago.

KDH Said Against Forming Minority Government

AU2909091194 Bratislava PRAVDA in Slovak 26 Sep 94 pp 1, 5

[Interview with KDH Chairman Jan Carnogursky by Martin Krno and Milan Stanislav; place and date not given: "They Will Not Go Into a Minority Government"]

[Excerpts] [Passage omitted] [PRAVDA] You have traveled a great deal. It is as if foreign policy has become your specialty. Closer ties to neighboring countries is one of the priorities of the program of the Christian Democratic Movement [KDH]. Is the signing of a treaty with Hungary also realistic?

[Carnogursky] Confirmation of the immutability of the border was a contentious issue between our southern neighbor and us. This should not be a problem now. As far as the Hungarian minority is concerned, in our opinion, its status is a favorable one. We are able to negotiate with its representatives on partial improvements.

[PRAVDA] The Hungarian tripartite coalition has adopted a tougher program. Would it be tenable for the future government to reckon with the tacit support of the Hungarian parties as has been the case until now?

[Carnogursky] If they have the implementation of the Komarno appeal in their program, the Slovak Government cannot depend on their support in parliament.

[PRAVDA] Are you willing to accept the Komarno documents as a starting point for discussion?

[Carnogursky] No. The aforementioned documents concern the territorial-administrative division, in particular. The KDH prefers a county model with 16 units. We are able to put forward arguments in favor of this arrangement in any rational discussion.

[PRAVDA] Last week, on the initiative of the KDH, the Cabinet decided that it will not conduct privatization in the form of direct sales during the election campaign. Was this not just a preelection maneuver on your part?

[Carnogursky] It looks like that but not thanks to us. Our coalition partners literally played into our hands. The government promised in May that it would not conduct privatization during the election campaign. The KDH did not come up with this initiative at that time. The privatization of the five major enterprises is another matter. According to the law, the deadline for submitting privatization projects expired on 26 August. There were only 12 days left, including Saturdays and Sundays, to assess these projects before the start of the campaign. We could not have given them serious consideration and make a responsible decision during that time. After all, this involved not a mere restaurant or grocery store but companies worth billions such as VSZ [East Slovak Iron Works] or Benzinol. [passage omitted]

[PRAVDA] One of the main points of your election agenda is the assertion that, if parties win less than 5 percent of the vote, it should be as though they have won nothing. The Democratic Party [DS] considers this to be influencing or even intimidating the voters. Are you not concerned that such statements will hamper the process of the right-wing's integration?

[Carnogursky] We are saying this because it is a fact. The election law has been in force since 1990. At that time, the DS deputies also voted for it, including the clause that restricts the entry of political parties into parliament. We are not intimidating the voters. We are merely pointing out to them the current legal situation. Our arguments are not oriented against any other party.

[PRAVDA] Six months ago, you were at pains to explain to your members and voters why you were entering into a coalition with the Party of the Democratic Left. What do your people think of this tricky decision now?

[Carnogursky] They are not causing us major problems. This merely involves opinions expressed by individuals at meetings, and to them I say: We entered into the coalition at a time when school lunchrooms and entire hospital departments were in immediate danger of closure because they had no money for heating, when the courts almost had their telephones cut off because they could not pay their bills, and when Slovakia had a very poor reputation abroad. Let someone tell me what choice we had other than to promptly form a coalition government.

[PRAVDA] The polls indicate a polarization of forces in the future parliament. What kind of solution to the political situation in Slovakia seems the most likely to you?

[Carnogursky] If the current—slightly modified by the election results—coalition achieves an absolute majority in the National Council, it will be easy to form a government without the support of the Hungarian deputies. If it does not achieve an absolute majority, I think it is probable that talks will be held in two directions—in the direction of the Hungarian Coalition, to see if it is willing to give up its endorsement of the Komarno appeal, and in the direction of the Movement for a Democratic Slovakia, to see if it is willing to make major concessions with regard to its program and hitherto policy. The government formed will depend on whom we reach an agreement with first.

[PRAVDA] Would you also accede to the risk of a minority government?

[Carnogursky] We would not take part in forming such a government. However, if there were no other way out, I can imagine that the KDH would support a minority

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government of other parties—under certain conditions, of course. The suspension of all attacks on the president and some fundamental requirements concerning economic policy would certainly be among them. As far as the government personnel are concerned, their appointment will depend on the detailed results of the elections.

Commentary Gives Possible Postelection Scenarios

AU2909103094 Bratislava SME V STREDNEJ (EUROPE supplement) in Slovak 24 Sep 94 p 1

[Commentary by Martin Butora: "Will Things Be As They Used To Be?"]

[Text] Before last year's election in Poland, it was clear that a left-wing government would emerge. The only unknown was who, apart from Kwasniewski's victorious bloc, would find a place in it. Before this year's election in Hungary, it was evident that the government would be formed by Socialist Gyula Horn. The only thing that could not be predicted was whether the Free Democrats would become his partners.

One week before the election in Slovakia, only one thing is clearly looming on the horizon: The winner, the Movement for a Democratic Slovakia [HZDS], should receive in early fall 1994 about 10 percent fewer votes than it did in the election in late spring 1992, which was still held in the common federal state. What is not known, however, is who will actually win the election in the sense of being able to form a government.

The elections in Poland and Hungary were, among other things, a test of the ability of recycled communists to assume responsibility for running the state without thwarting the orientation of the reform. The validity of Fukayama's controversial thesis about the victorious advance of ideas of the free individual, market, and democracy is thus being put to the test by its former greatest adversaries. But what will the Slovak elections be all about?

Slovak political parties can be divided into two camps of roughly the same strength that differ primarily in their political style. Each of these camps can count on receiving about two-fifths of the vote.

The HZDS can by no means seize power on its own. If it received backing from only the "nationalists" [Slovak National Party] and the "workers" [Association of Workers of Slovakia], Slovakia would be facing the threat of a government that would be almost unique in present-day Europe. Even though this would not mean a complete end to the reforms, an end to democracy, and definitely not an end to capitalism, Slovak society would be afflicted by a relapse into a political style called "Meciarism." Although much is being written, especially abroad, about Meciar's possible comeback, his chances of governing in this form are very slim.

The second alternative, which is frequently discussed in Slovakia, would be a postelectoral coalition of the two strongest political entities, the HZDS and the Party of the Democratic Left [SDL]. Will the SDL, which is assuming a social democratic profile and has already once parted ways with Meciar politically because it rejects the leader principle support this alternative? If it did, this would undoubtedly lead to frequent tension between the two partners and, sooner or later, trigger a crisis within the SDL. However, this would be the most reliable test of the degree to which it is possible to coexist with the HZDS and to control it, and of the ability of the HZDS and its leader, in particular, to cooperate. The pace of reform would slow down, but the regression would not be as obvious as in the case of the first alternative. The HZDS would be moving "within the system" and participating in responsibility. The country's international reputation would not suffer so much as in the case of the first alternative.

The third possibility is a continuation of the fragile broad-spectrum right-left coalition, politically backed by the Slovak president. In the past few months, Slovakia has quite successfully passed this test of proreform coalition compromise. And this is the number-one topic of the Slovak election: Will it be possible in the coming years, before the country becomes integrated into the European Union, to maintain a framework in which it will be possible to continue the reform and integration into Western structures?

Preelection polls indicate that the third alternative will scarcely be possible without cooperation with the Hungarian parties, which have formed a preelection coalition associating both moderate currents, such as the Hungarian Christian Democratic Movement and the Hungarian Civic Party, and nationalist-populist currents, such as a part of the Coexistence Movement. Many Slovak politicians are inclined, at most, toward a short-term anti-Meciar alliance with these Hungarian parties. However, cooperation with Hungarian parties, politicians, and citizens is not only a question of political tactics. It is a more fundamental question of political strategy, based on the conviction that administering the country without the participation of the Hungarian minority is not a happy solution for Slovakia, and on the full appreciation that Slovakia's successful integration into Western security structures is unthinkable without a settlement of its relations with Hungary. Incidentally, this is a challenge addressed to politicians not only in Slovakia, but also in Hungary. Even Hungary's path toward a safe Europe will not have been paved as long as it does not settle relations with its neighbors. Political agreement on cooperation with the Hungarian minority is the number-two, and perhaps crucial, issue of the Slovak election.

The paradox of today's situation is that each of the above possibilities could easily end in a new early election.

It is as though two different "social times" characterized life in Slovakia over the past two years: The hectic rush of "high politics," which has resulted in the early election, and the slower pace of shifting values in people's

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minds. By their mental disposition, people in Slovakia are more accessible to the gradual, rather than abrupt, assertion of new ideas, new institutions, and a new order. Therefore, the third topic of the 1994 Slovak election is the question: Will this election make it possible to implement a policy that would permit at least partial synchronization of the two "social times"? If the answer turns out to be negative, we will have to content ourselves, at least until the end of the millennium, with domestic elections. Slovakia would not be given the chance of a vote into the European Parliament so soon.

Schmognerova on Scale of Insolvency, Bad Loans

AU2709122094 Bratislava NARODNA OBRODA in Slovak 16 Sep 94 p 3

[Article by Deputy Prime Minister Brigita Schmognerova: "Where Are the Greatest Hitches?"]

[Excerpts] [Passage omitted] The high level of intercompany indebtedness, the great indebtedness of companies in relation to commercial banks, and banks' bad credit portfolios are three symptoms of a single disease.

The disease is contagious, severe, lengthy, and complex. Its diagnosis is well known and can be expressed in gross figures. The level of intercompany indebtedness is estimated at more than 120 billion korunas [Sk], of which Sk15-18 billion is accounted for by debts that state nonentrepreneurial organizations owe private businesses. High-risk koruna loans have reached an estimated more than Sk50 billion in mid-1994, which is approximately 20 percent of the entire credit volume (the entire volume of credits in the entrepreneurial sphere represents about Sk235 billion). However, the amount of extended loans decreased by more than Sk7 billion in the first half of the year. The most marked has been the decrease of investment loans, but operational loans have decreased as well. The average interest rate on loans slightly exceeds 14 percent, but it is distorted by old long-term loans with a low interest rate of 1-2.7 percent, such as loans to finance comprehensive housing construction and the like. If it is currently possible to obtain a short-term or medium-term loan at all, the average interest is 17-18 percent, but, not rarely, the interest rate is 22 percent, with a 33-percent sanction rate. Acquiring a long-term loan has become virtually impossible in Slovakia. [passage omitted]

Irrespective of the approaching election, the Slovak Government is working intensively on a comprehensive project for the financial restructuring of the company sphere and commercial banks. One of the aspects of this project, a solution to the companies' high level of insolvency, for example, was discussed at a meeting of economic ministers with representatives of the Union of Industry on 14 September. A commission appointed to deal with this problem has conferred several times with experts from the USAID, the European Community's PHARE [Economic Reconstruction Aid for Poland and Hungary] program, and the World Bank. A day-long specialized seminar with international participation from the United States, Poland, Hungary, and Slovenia and attended by World Bank and IMF representatives will be held at the Slovak Government Office on Monday, 19 September, not only to analyze experience from tackling analogous problems in Poland, Hungary, and Slovenia, but also to discuss a Slovak Government project, the implementation of which should start as soon as possible—before the end of this year.

Government Discusses Drought, Food Shortages

AU2709133594 Bratislava SLOVENSKY DENNIK in Slovak 14 Sep 94 p 2

[TA SR report: "We Must Import 100,000 Metric Tons of Potatoes"]

[Excerpts] Bratislava—The Slovak Government held its 27th regular meeting in Bratislava yesterday, with Prime Minister Jozef Moravcik in the chair. [passage omitted] It discussed and approved a proposal on financing the consequences of drought in agriculture from the state budget and other sources. The Slovak Government agreed to provide 785 million korunas [Sk] worth of relief from the resources of the National Property Fund as a means of financing the consequences of drought. Furthermore, it agreed to supplement the Guarantee Fund of Slovenska Zarucna Banka [Slovak Guarantee Bank] with Sk400 million from the special account of the Ministry of Agriculture and to draw another Sk366 million from the special account of the Ministry of Agriculture to finance, first and foremost, the renewal of technological equipment and the machine pool in agriculture.

The Slovak Government discussed and approved a report on supplies of staple agricultural products to the market. According to statistical data, beef cattle numbers have declined from 1,622,500 to 940,000 since 1990. Of this, the number of cows has declined from 559,900 to 367,000. Despite the decline in the annual per capita consumption of beef from 25 to 12 kg, there will be a deficit of about 5,000 metric tons of beef in the fourth quarter of 1994. The deficit of pork in the fourth quarter of 1994 will be approximately 6,000 metric tons. This meat cannot be substituted for by poultry because poultry meat production also decreased by approximately 1,000 metric tons [period not specified].

The area under potatoes has decreased by 5,800 hectares compared with 1993 and by almost 14,000 hectares since 1990. Unfavorable climatic conditions, particularly lack of precipitation during the growing period, caused a significant drop in per hectare yields. The expected per hectare yield of 10.3 metric tons would make this year's potato harvest the lowest in the past decade. A deficit of approximately 130,000 metric tons of potatoes is expected. The lack of supply has made it necessary to raise the procurement price of potatoes to Sk8-10 per kg. In view of the inadequate supply of potatoes from our own production, it will be necessary to import at least 100,000 metric tons of them.

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Major Defense Industry Companies Associate

AU2709122394 Bratislava SMENA in Slovak 16 Sep 94 p 2

[Article by Marian Hudec: "Assistance to Enterprises Undergoing Conversion; Slovak Arms Industry Is Waking Up From Lethargy"]

[Excerpts] [Passage omitted] The decision of the former CSFR Government on the conversion of the arms industry affected almost 100,000 employees of major Slovak engineering enterprises. Arms production is currently undergoing restructuring, which is also the reason for delaying the privatization of arms factories. Heavy Engineering Works [ZTS] and General Engineering Works [ZVS] Dubnica nad Vahom, ZTS Martin, Podpolianske Engineering Works (PPS] Detva, and the Konstrukta-Defense Trencin company have responded to the changing conditions of the domestic and foreign markets by setting up the Defense Industry Association of the Slovak Republic (ZOPS).

The association coordinates, in particular, the development and production of special equipment and takes an active part in conversion programs. Its headquarters is in Trencin, which is also the seat of the Army Command. ZOPS is open to everyone and also cooperates with the state-run company ARMEX. According to Economy Minister Magvasi, the statutes of ARMEX were fundamentally changed a month ago, and the practical and organizational conditions for its operations will be clearly formulated in the very near future. The circumstances of the founding of ARMEX were rather chaotic, and it was not clear initially whether it should operate only as an agency and not as a commercial organization. It follows from the change in the statutes of ARMEX that sales of weapons will have to be ensured by ZOPS, although this had not been considered originally. "The Slovak industry is able to compete and will play an important role in stabilizing and reviving our economy. Commercial cooperation with the RDP Group [association of 40 Czech companies involved in the production of arms] is only formal, for the time being, because special production in the Czech Republic is running up against great technical and organizational difficulties. This has also been confirmed by some of our talks," the economy minister stressed. [passage omitted]

According to Peter Koncier, director of ZTS Dubnica nad Vahom, subdeliveries from the Czech Republic must be maintained. Special production will represent about 20 percent of total output in ZTS Dubnica. Potential markets also include countries of the former Warsaw Pact. We know the markets there and need not vacate them for Western firms. As a matter of principle, the Slovak Government fully respects the ban on exporting special equipment to conflicting parts of the world that are subject to UN embargo.

For the time being, Slovak arms companies are working for our own Army. ZTS Dubnica is completing tests of a prototype of the Zuzana howitzer, and ZTS Martin has presented to the public a modernized version of the T-72 medium-size tank, with a stronger engine, reactive [reaktivna] protection of the turret, and installed aggregates [instalovane agregaty] that have substantially improved the vehicle's combat properties. ZTS Martin has a production capacity for 120 tanks a year. Engineer Jan Segla, director of ZTS Martin, claims that production of special equipment will not exceed 50 percent of the company's output.

The restructuring of the Slovak arms industry is a longer-term affair. Great financial sums are at stake, and the government must formulate strategic plans in this regard.

Aug Unemployment Rate Drops to 14.4 Percent

AU2709131294 Bratislava NARODNA OBRODA in Slovak 23 Sep 94 p 2

[Article by Karol Bohunicky: "There Are 60,761 Unemployed Dropouts in Slovakia"]

[Text] While the overall rate of unemployment declined slightly in Slovakia in August (by 0.15 percent), the number of unemployed dropouts increased to 60,761. This is the absolute record with regard to this category of unemployed in the history of labor offices. More than one-half of unemployed dropouts have completed only elementary school or a vocational school without a secondary school diploma.

There were 366,552 unemployed in Slovakia at the end of August, which represents an unemployment rate of 14.4 percent. Compared with the preceding month, the number of unemployed declined by almost 4,000, but, compared with August 1993, it went up by almost 22,000.

The statistical data of the Employment Services Administration on regional unemployment sound more optimistic when viewed against the background of past trends. Although the rate of unemployment still exceeds 20 percent in nine out of 38 districts, it declined slightly in eight of these nine districts in August. Only in the district of Rimavska Sobota does the rate of unemployment continue to show an upward trend. It has reached the highest level to date—27.13 percent. Bratislava is traditionally the part of the country with the lowest rate of unemployment—5.6 percent. The gradual increase in the number of reported vacancies also gives ground for optimism. In August 1994, there were 31 job seekers for each reported vacancy, compared with 33 the month before.

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Former Prime Minister on Horn Assembly Speech

AU2809211794 Budapest UJ MAGYARORSZAG in Hungarian 28 Sep 94 pp 1, 4

[Interview with former Prime Minister Peter Boross by "franka"; place and date not given: "Peter Boross: A Bundle of Wishful Thoughts"]

[Text] *This is the first time that Prime Minister Gyula Horn has opened himself up in front of parliament and the country since he recently took office. He spoke about his plans and promises and the way he thinks he will lead the country out of the quagmire that he and his government believe to be very deep. What does his predecessor, former Prime Minister Peter Boross, think of his parliamentary speech?*

[Boross] I will begin by saying that a speech that does not reach the customary level of parliamentary speeches should not be made. It would have been better for Horn not to have made his speech.

[UJ MAGYARORSZAG] What is your objection: Was it too long, too short, or without content?

[Boross] Basically, there was nothing new in it. It was some kind of summary of the well-known statements that had been dropped in various places.

[UJ MAGYARORSZAG] Why was it lousy?

[Boross] Because it presented wishful thoughts that would be accomplished by the end of 1995: The transformation of the system, putting the economy in order, and a version of privatization that would make everyone happy. How? It is precisely the how that was missing from the whole speech. What we actually heard was a joint collection of thoughts by Horn and his reduced group of advisers. What is more, these thoughts are not original or new—in fact, they are not even prime ministerial. No one should take offense, but this was rather a product of speech writers.

[UJ MAGYARORSZAG] You are referring to speech writers and advisers, although a number of them withdrew from cooperating with Horn. Does this mean they deceived him?

[Boross] Horn is regularly deceived with all kinds of data. This is what has happened again.

[UJ MAGYARORSZAG] Who do you think is doing this, his own party or the coalition partner?

[Boross] It is clear that not all is in order with the coalition partner. The nuances of the speech that Ivan Peto [chairman of the Alliance of Free Democrats, SZDSZ] made with admirable intellect deviated from the prime minister's speech to such an extent that this is obvious to everyone. Peto simply corrected Horn. I believe that even the Hungarian Socialist Party [MSZP] deputies understood this, although they might not want to draw any conclusions from this. The tension between the two of them is already obvious. These differences of views will appear more markedly in the 1995 budget debate.

[UJ MAGYARORSZAG] What would you have done in this situation?

[Boross] I could have given a situation report on the previous government's period, but then I would have sent it to the leader of the government in question, as is befitting, to give him time to read what his successor has to say. What Horn has done is without style because my reaction could not be very thorough, partly due to not being familiar with the material and partly because of the time limit given to the Hungarian Democratic Forum's [MDF] reaction. On our part, this lack of gentlemanliness could not have happened, especially since the Horn speech was based on criticizing the past four years. What is more, this was a superficial and second-rate criticism.

[UJ MAGYARORSZAG] Upon hearing it for the first time, what did Horn omit in his speech?

[Boross] To put it mildly, it is dishonest not to mention that we implemented an economic correction in September 1993, as a result of which economic growth began, and this could lead to a 2-3 percent growth as early as 1994 if it is not destroyed. Other indicators also started to move in a positive direction, our government overcame the collapse of the eastern market, the Yugoslav war, the repeated droughts, and so on. It is unprecedented that he did not even mention these achievements, it is almost a sign of class struggle. I find this distressing.

[UJ MAGYARORSZAG] In your view, to whom did Horn make his speech—the MSZP, the SZDSZ, parliament, or the people who were "offered" social prosperity?

[Boross] I suspect his speech writers did not decide to whom he should speak. The clear intent was to influence the public with something like this: The past 40 years did not exist and the 20 billion [currency not given] debt did not exist; only the past four years and their mistakes exist.

[UJ MAGYARORSZAG] Are you thinking of the [Finance Minister] Bekesi drama?

[Boross] Undoubtedly, before the elections, they did not talk about how to reduce public consumption—namely the living standards—and now they are trying to make this accepted by condemning the past four years. They do not recognize the spontaneous economic processes. They are living in the old planned economy system that now only exists in the world of fiction. Investments have increased by 50 percent in this country, which is equal to more than 30 percent even at real value.... What do they want to stimulate? They should not stimulate anything; I beg them not to destroy anything.

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[UJ MAGYARORSZAG] Is the coalition ignorant about the market economy?

[Boross] It is completely ignorant about it; its members were raised in the wrong schools. This group of people acquired their knowledge in party apparatuses, ministries, and various institutions. If I were Horn, I would include practicing economic experts in the advisory body. However, the Hungarian prime minister is pursuing dreams instead of living in the real world. This is very well proved by the fact that following the left wing's rise to power in Hungary, the inflow of foreign capital has been significantly reduced. This is a punishment by the West, which the country rather than the coalition will suffer.

Horn Assembly Speech 'Not Dramatic Enough'

AU2809211694 Budapest NEPSZABADSAG in Hungarian 28 Sep 94 p 3

[Editorial by Katalin Bossanyi: "Calling Upon the Ordinary People"]

[Text] One can officially pout at the prime minister's speech in parliament. This is what most of the opposition did by presenting a rather weak stock of arguments. One can distance oneself from the speech; media commentators will probably do that, mostly to make sure that no one can blame the independent organs of loyalty. One can also argue on an economic basis: Experts will probably dissect the prime minister's opus to its smallest components.

But what kind of speech did Gyula Horn deliver yesterday?

My first impression is that he headed for popularity, because he had a good word for almost everyone, as well as a few promises. We have reason to suppose that there are a lot of people in this country who expected precisely such a promise from the prime minister, a promise delivered in a basically soothing tone and one projecting more equal burdens and greater social solidarity. This will no doubt make these people feel less tense, even if the market tension does not diminish. If this is the case, Gyula Horn's speech can even be regarded as a skillful one from a social-psychological viewpoint.

It is another matter that popularity has a very big price in Hungary today, and the fine sarcasm of the chairman of the coalition partner party shows this: Only state subsidies can provide "soda and wine" for everyone.

Some kind of dust must have gotten into the propaganda machine of the coalition because we expected too much from Horn's speech. Thus, the disappointment is also greater now, as it happens generally in such cases. Although I do not miss Churchill's "blood, sweat, and tears" from this speech, I nevertheless expected a more correct and mainly more concrete evaluation of the situation. The speech could have dealt more with the heritage of the past 40 years, because this would have made the—otherwise justified—criticism of the past four years more plausible. However, the situation evaluation was not dramatic enough to convince the laymen of the need for the projected measures.

Well, this is precisely the big trap of politicians seeking popularity. Either they tell the truth and accept all the social-political odium of the strict measures deriving from the bitter reality and, thus, put their own popularity and that of their party at risk, or they frighten the people, but then quickly pat the citizens' heads and tell them this will not hurt too much because we are with you. This is why, in the form it repeatedly emerged yesterday, the appeal to the "ordinary people" seemed slightly dissonant.

This, in spite of the fact that the prime minister took pains to show some (state-sponsored) light at the end of the tunnel, not only for the most in need, but also for the middle strata of the society, despite the restrictions and the difficult situation. It was particularly conspicuous the way he wanted to win over the power groups capable of influencing politics and the economic policy. So much so that his speech, which was generally tuned to the ears of ordinary people, also carried a serious political message to select individuals.

For example, Horn signalled to his predecessors that there will be no legal or economic calling to account on privatization and property squandering issues. This can be regarded as part of seeking consensus, but I think this is more a case of "lost labor." He made clear gestures to the church and to those who received compensations; both gestures must have come more from political considerations rather than economic ones. Horn told the private entrepreneurs that, despite the restrictions, investment possibilities will increase and there will be new advantageous credits. For the rest of the large-scale industry, Horn said that industrial policy and market defense will nevertheless continue. To the regions in crisis, he said that he will not let them collapse. Horn promised pretty aid packages of billions for social policy goals. In addition, he promised a more radical stand against the black economy and generally against economic abuses. He asked everyone "on the other side" for partnership, while he elegantly warned the trade unions not to abuse their power advantage in the course of the economic-social agreement. All in all, Gyula Horn promised "public mood improving" measures that can really improve the citizens' feeling of comfort.

Listening to this large number of positive things, I turned into myself: While I agree with the prime minister's demands on a lot of things, what is the reason then that I do not like this speech? Probably because, toward the end, Gyula Horn honestly admitted that "our efforts prove that the government does not leave its voters." And this is the way it should be. Because, with this, the head of the government led by the socialists also wanted to convey that he continues to stick to the task of laying

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the foundations of the modern-time Hungarian capitalism but, at the same time, he is seeking the more socially cushioned solutions of transition.

I have nothing against this. However, I do have problems with the fact that, in the outlined program, there is more state and less money than necessary for its implementation. Therefore, the outlined national modernization program seems slightly one-sided. I presume that the speech contains more efforts for maximal votes for the upcoming local government elections than short-term concrete economic tasks that can be implemented. It is a pity. The government program suggested a more consistent policy than this.

Security Service Chief on Fight Against Crime

AU2709133194 Budapest TALLOZO in Hungarian 15 Sep 94 p 1,751

["Transcript" of interview with Bela Katona, minister without portfolio in charge of the secret services, by Tamas Forro on the NAP TV program of Hungarian Television that aired on 8 September: "Secret Services Are Playing An Important Role"]

[Text] [Forro] The police are deploying large forces to investigate the shooting incident on Szentendre Road. What is the task of the Secret Service in such cases?

[Katona] This specific case demands cooperation on our part, namely if we get any information, we hand it over to the police. We are speaking about a specific investigation here and, naturally, the Secret Service plays a smaller role here.

[Forro] Does the Secret Service have to genuinely work before this?

[Katona] Yes. In principle, if the Secret Service succeeds in getting information and if this information proves to be correct, we also convey this information to the police. There is a part in the affair when our men carry out the investigation together with the policemen, but the police plays the main role at the end, because only the police can carry out real actions. The Secret Service does not have the right to do that.

[Forro] Yes, but if such cases happen, like the bombing of the Matthias Church and the legislature and the plutonium affair, criticism is also directed to the Secret Service for its failure to obtain adequate preliminary information, and thus such crimes could not be prevented.

[Katona] There are differences between the various cases because, while we have unfortunately failed to obtain any information regarding the bombings—information that could provide some secure footing for older affairs and could promise that such cases are avoided in the future—the plutonium affair is a very good example of how the Secret Service can discover certain things in advance, how the events can be followed, and how it is possible to intervene at the proper time. This was a good example of how the Secret Service and the police can cooperate quite successfully.

[Forro] The main question, however, is the role of the new Secret Service in the struggle against organized and international crime. As far as I know, the Secret Services of neighboring countries, and not only neighboring countries, actively participate in this struggle. In view of the events that have taken place in Hungary in recent weeks and months, to what extent is the Hungarian Secret Service involved in investigating these affairs? Does the Hungarian Secret Service have contacts with foreign secret services aimed at obtaining information with which we could avoid possible crimes?

[Katona] This has been one of the biggest changes in the life of secret services in recent years. In the past, most of the activity of these secret services focused on gathering political information, especially during the cold war, or even eight to ten years ago, between the Warsaw Pact and NATO countries. This activity stopped, or decreased considerably not only in Hungary but also at our partners in the West.

[Forro] Do you mean by this that there is no longer political intelligence?

[Katona] There is no longer a political intelligence of the type prevailing in the past.

[Forro] What kind of political intelligence does exist?

[Katona] For example, it is important for every country to know the real opinion of another country's leader on its activity, and whether the other country's intention to provide economic help are true, and whether one should take seriously some threat formulated against one's country, or whether it is merely part of the diplomatic game. Of course, such intelligence still exists. However, the type of rude intelligence activity of the past 40 years greatly diminished in the past four to five years, and not only in Hungary but also among the Western secret services. The units dealing with organized crime, arms smuggling, and drug affairs have gained importance. The Hungarian Secret Service also accepted a role in this process. We developed very good international contacts, and not only with our neighbors. The essence of this type of crime is that the criminals do not think of borders. The mafia spreads from one country to another by all means. It spreads in the direction where it can gain the most profit with its activity. Therefore, both the Secret Service and the police need close cooperation in order to be able to follow this movement and possibly hinder it.

[Forro] However, the Secret Service staff are agents, and not investigators. Therefore, obviously they have a different role in these cases, compared with the police investigators. Do we have a network of agents today?

[Katona] Of course we have.

[Forro] Do we still have a III/III department?

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[Katona] A Secret Service cannot function without this, but it is not a III/III department. Secret services always needed agents. The big difference lies in the type of information gathered by an agent. The gathering of political information about various persons is forbidden in a democracy. I hope no such thing has occurred in Hungary in the past four years, and no such thing will ever occur again. However, an agent carries out a very useful activity for the country when he gathers information on whether a given group of criminals is trying to smuggle weapons or sell plutonium in Hungary, something that is very dangerous not only because one can use it for building nuclear weapons, but also because radiation could contaminate a lot of people. Therefore, I think every normal person should support such activity.

[Forro] Do we also have a network of agents abroad, or do you rely on foreign secret service activities?

[Katona] I must say that both are correct. We also have intelligence officers working abroad, and they themselves try to get information, quite successfully at that.

[Forro] I must bring up the subject of Carlos. Representatives of our former Secret Service made quite a few declarations on this subject. How do you treat this subject? This issue belongs to the past, namely to the time when a rude intelligence activity was going on, as you said; or do the current secret services also have things to settle on this issue?

[Katona] The issue itself refers to the past, because the last genuine phase ended in 1985. The task of our intelligence is to finally put order in the huge amount of relevant material made up of several thousands of pages and several hours of audio and video recordings, and to publish everything needed to understand this issue.

[Forro] In others words, this will not be kept secret.

[Katona] No, we do not want to keep this part of the matter secret. We will analyze the material in such a way that we can hand over information to foreign officials on all matters in which international action is initiated against Carlos.

[Forro] In other words, you will provide information of the type recently demanded by the French authorities.

[Katona] We will provide information. All we need is that the French officials decide what information they need. The problem is that a lot of material is available, because Carlos and his group had been under constant surveillance and reports had been prepared daily. From all this, we must provide information that help the French in their investigation. We would like to make the French judge understand this, and will naturally fulfill any such request through the relevant Hungarian bodies.

[Forro] In conclusion, in your opinion, what is the role of the secret service in the present Hungarian society?

[Katona] The Secret Service is playing an important role in preserving the economic, physical, and political security of this country. However, the way I see it, the society is not aware of this. We have not succeeded in obtaining the moral appreciation we deserve.

Minister Views Possible Privatization Abuses

AU2709131594 Budapest NEPSZABADSAG in Hungarian 21 Sep 94 pp 1,4

[Interview with Interior Minister Gabor Kuncze by Agnes Peredi; place and date not given: "Half a Year for Suspicious Affairs"]

[Text] *NEPSZABADSAG has learned that the first meeting of the privatization committee chaired by Interior Minister Gabor Kuncze will convene today to coordinate its operational statute. Gabor Kuncze told us that the investigation of the privatization affairs of recent years aims at creating a clean public life in Hungary.*

[Peredi] One heard about different investigations on privatization decisions recently. A report on the period between April and June, one prepared by a committee of experts, is ready. However, it seems to be even greater interest in the investigation of decisions made during the past four years. What is the area covered by the committee?

[Kuncze] The aim of the investigation is to create a legal and regulation background that limits the possibility of corruption and abuses to a minimum. It is not our intention to review every case; instead, we want to avoid future abuses by learning from the investigated cases. Of course, cases involving abuse might surface during this investigation.

[Peredi] What is the setup of the various committees?

[Kuncze] One of the committees deals with the activity of the State Property Management Ltd and the State Property Agency. This committee comprises the public administration state secretaries of the ministries involved in privatization. Another committee examines the activity of the Office of Tax and Fiscal Auditing and the National Headquarters of the Customs and Revenue Police in the sense whether tax and customs exemptions were justified. The government auditing organization will examine the budget bodies in order to determine the use of state funds. We will carry out an investigation of various foundations with the help of the prosecutor general, to find out whether the funds were used in accordance with the goals of the foundation. A general committee will coordinate all this activity, a committee made up of the relevant ministers led by myself.

[Peredi] When will you finish this work?

[Kuncze] It is expedient to set up a deadline that makes it possible to draw the necessary conclusions and to use them. We have six months in mind.

[Peredi] On what bases will you choose the privatization decisions to be investigated? How many cases are we talking about?

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[Kuncze] We are using several sources. We have the investigations of the State Auditor General's Office at our disposal, and I myself receive reports regularly. I am not speaking about anonymous reports; instead, I mean reports coming from employees of firms whose privatization is questionable. We are also dealing with cases that have already stirred greater apprehension, like the Nikex Headquarters, the Autoker, or the Metal-Art issues. We are speaking here about some 70-80 privatization cases, but this does not mean that all of them represent a corruption scandal. Besides, this cannot be said about any of them without investigation. In most cases, we are talking about violation of procedural regulations.

Former General on Army's Crisis Preparation

AU2709144594 Budapest NEPSZAVA in Hungarian 16 Sep 94 p 4

[Report by Irene Szabo: "The Staff of Officers Does Not Accept Nonsense—Bela Gyuricza on the Defense Ministry's Crisis Program"]

[Text] According to Bela Gyuricza, deputy of the Federation of Young Democrats [Fidesz], neither the citizens nor the soldiers are aware whether there is a way out of the Army's crisis. Everyone is demoralized by this uncertainty.

At the moment, ministry statements claim that the Hungarian Army is still able to operate in a military sense. What are the views of retired General and FIDESZ Deputy Bela Gyuricza, who is a member of the Parliamentary Defense Committee? "I have fundamental problems with the attitude," Gyuricza said. "The interpretation of security and defense is not unanimous and, as a result of this, the economy and the Army, and the Army's personnel and its financing are separated. Finance Minister Bekesi talks about money, the Interior Ministry handles all those factors—for example the Border Guard—which are an organic part of the country's defense separately, Defense Ministry Gyorgy Keleti is talking about reducing the number of new conscripts, and the government program itself only mentions partial issues. In a word, I miss the complexity, the unified handling of defense," Gyuricza emphasized.

According to him, politics has not yet decided what it wants to do with the Army, where it wants to get with it, in what direction, and with whom. According to Gyuricza, it is a bad philosophy which pushes the organization to new tensions all the time instead of providing solutions, and the only thing this is able to guarantee is uncertainty. He is convinced that neither the regular soldiers nor society can further tolerate the haphazard actions. He said that he is afraid the crisis management program valid for 18 months will not have any stabilizing effect if all tasks to do with the country's Army are left to one ministry, namely the Defense Ministry.

"Of course, it is possible to talk about everything, a professional army, recruiting fewer conscripts, or reducing the gasoline consumption. If it was up to me, I would inform the public of the truth about the Army. I would tell them why the current structure is bad. I would openly talk about the narrow interest spheres that prevent the changing of the rigid structure. It has to be known that the majority of the staff of officers are able to make sacrifices for all clear and sensible goals. However, they can only experience nonsense in two ways. They either leave or become morally annihilated," Gyricza said.

Finally, he mentioned an experience from last year. As an active general, he participated in modelling a crisis situation, taking the tasks of the soldiers, the population, and the mayors in turn. As he said, they were astonished how many factors needed to be coordinated and on how many areas the issues were not settled. The astonishment was about the fact that there would be complete chaos in case of a crisis. This is not a good omen for either the soldiers or the country.

Border Violations, Activities Outlined

AU2709150294 Budapest NEPSZABADSAG in Hungarian 16 Sep 94 p 1

[Report by Attila Gy. Fekete: "Criminal Border Violations—87 Human Smugglers Caught by September"]

[Text] Up to 15 September, the Border Guard took action against a total of 17,778 people who violated rules or laws. The patrols captured 87 human smugglers, and 127 who abetted border violators; they found ammunition and explosives hidden in vehicles on 29 occasions and drugs on 13 occasions.

Major General Balazs Novaky, national commander of the Border Guard, among other things told journalists in his office on 15 September that the Hungarian Border Guard will presumably be able to reduce the number of guards on duty at the Austrian border when Austria completes setting up its border guard—up to now, Austria has not had an independent border guard. At the moment, most work is needed at the eastern and southeastern border crossing points which have a small capacity and poor technical equipment, nevertheless, most border guards serve on the western border.

Parallel to signing the interstate agreements, the Border Guard is renegotiating the bilateral cooperation agreements that were made with the neighboring countries before 1990. In Novaky's view, the ever expanding international crime, and the drug and human smuggling networks can only be suppressed in conjunction with the neighboring countries. Between 1 January and 14 September, the border guards took measures against 17,778 citizens of 106 countries who had violated the border. They captured 87 human smugglers and 127 helpers of border violators. During the same period, proceedings were started against 2,778 foreigners for trying to enter Hungary with false or forged passports. Drugs were

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confiscated on 29 occasions and weapons and explosive materials on 13 occasions. [sentence and numbers as published]

More than 2,000 people crossed the border without permission; most escaped to Austria. In addition, 7,303 people tried to enter Hungary illegally. More than half of the border violators were Romanian citizens; they arrive in Hungary with valid passports and, without the necessary visas, try to get to the West through the open borders.

Activities of Office for Ethnic Hungarians Abroad

AU2709125694 Budapest MAGYAR NEMZET in Hungarian 24 Sep 94 p 13

[Interview with Laszlo Labody, head of the Office of Hungarians Beyond the Borders, by Lambert and Nagy; place and date not given: "Promoting Economic Cooperation Is A New Task"]

[Excerpts] [Passage omitted] [MAGYAR NEMZET] The Office of Hungarians Beyond the Borders moved quite independently in the system of diplomatic relations in the past; from the outside, it seemed that its activity was not really coordinated with the Foreign Ministry.

[Labody] We were in the Foreign Ministry and met with the minister and the two state secretaries, and we analyzed in detail the issue of practical coordination. The area we are dealing with affects all the ministries in one way or another. [passage omitted]

We must take coordination extremely seriously. We spoke about the ministerial levels indirectly, but we also spoke about "coordination" among the various political parties, or at least about communication. Thus, coordination is one of the key areas in which we would like to bring about radical changes. The other key element is something completely new in our activity, namely the activity aimed at promoting economic cooperation.

[MAGYAR NEMZET] What does this mean specifically? Is it, for example, a revision of the use of various foundations?

[Labody] Our activity of promoting economic cooperation greatly exceeds the foundations, because we must take into consideration here the whole of economic cooperation between Hungary and the neighboring countries, including the small border-area economic cooperation. [passage omitted]

[MAGYAR NEMZET] To what extent does this concept reflect a change in our contacts with ethnic Hungarians living beyond our borders? Does this mean that we focus more on everyday economic cooperation, rather than on consultations with political parties?

[Labody] The stress does not shift. Rather, things are added to it. Maintaining contacts continues to be our task, and we do not want to neglect this task. We only want to complement it. [passage omitted]

[MAGYAR NEMZET] Opinions emerged lately according to which the organizations of ethnic Hungarians abroad have an exaggerated weight regarding the basic treaties to be signed with the neighboring countries. How do you envisage the future?

[Labody] The signing of any international treaty takes place between the governments of two countries, and the legislatures of the respective two countries ratify this agreement. This is the normal procedure. The negotiation process also takes place between two government representatives. We must separate the coordination process from this, a process during which the positions of the negotiating partners emerge. I think these are two different things. It is the most natural thing in the world if, in the course of formulating these positions, the opinions of the political parties of the ethnic Hungarians living abroad are taken into consideration; the same applies to the opinions of Romanians or Slovaks living in Hungary; such consultations have already taken place. It would also be the most natural thing in the world if, say, Romanian Government officials consulted with the representatives of ethnic Romanians living in Hungary. However, this is their business.

[MAGYAR NEMZET] What about the organizations abroad that demand participation in the negotiating process, rather than in the coordination process?

[Labody] I can again only say that concrete talks are held between two governments, even if it is painful to acknowledge this. [passage omitted]

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Polish Troops To Arrive in Haiti 7 Oct

LD2809220994 Warsaw TV Polonia Network in Polish 2000 GMT 28 Sep 94

[Text] Fifty-one Polish professional officers and NCO's will land in Haiti on 7 October and begin their volunteer service in the multinational forces under the leadership of the United States. Three officers returned to Warsaw today. They had been sent to Haiti by the Ministry of National Defense [MON] to carry out reconnaissance.

The Polish mission that flew to Haiti to discuss detailed issues regarding the stay by our military policemen was led by Colonel Franciszek Gagor of the MON Foreign Military Affairs Department. Immediately after flying in from New York, Col. Gagor presented a report at the Norfolk base and also in Washington to Deputy Defense Minister Jerzy Milewski on the talks held in Haiti.

As to the aim of his mission, he told this program:

[Begin Gagor recording] The aim was to agree on the details regarding the tasks, the future mandate tasks, and the needs resultant from these tasks in the area of the personnel composition of the contingent, equipping the contingent, its transfer to the region of the mission, and details regarding the cooperation already established within the framework of the international peace operation. [end recording]

At a news conference, Deputy Minister Milewski added that the commander of our contingent, a lieutenant colonel experienced in work abroad, will most probably also be the commander of the Port-au-Prince region grouping, which ought to be taken as proof of trust on the part of the U.S. side with regard to the Polish military policemen. The task of the Polish officers, equipped solely with personal firearms, will be to supervise the work of the local police and to ensure that it does not transgress the law. The Poles will immediately signal all faults to the head of the police section, who will be an experienced police officer selected by the Americans. The costs of the Polish contingents' stay will, on principle, be covered by the U.S. Government, although the remuneration of the Polish military and its uniforms will have to be taken absorbed by the Polish side.

Foreign Minister Addresses UN General Assembly

LD2709231294 Warsaw PAP in Polish 1524 GMT 27 Sep 94

[Article by Anna Rogozinska-Wickers]

[Text] New York, 27 Sep—Speaking on Tuesday at the 49th Session of the UN General Assembly, Foreign Affairs Minister Andrzej Olechowski presented the main assumptions of Polish foreign policy and discussed the role of Poland and other medium-sized states in world politics after the end of the Cold War. The head of Polish diplomacy also put forward the proposal to remove from the UN Charter the notion of an "enemy state," which relates to the states of the Nazi axis: Japan, Germany, and Italy.

Emphasizing that the end of the Cold War and the confrontation between the East and the West has had a beneficial effect on international relations, Olechowski pointed out the persevering differences. "We are no longer divided, but neither are we united. In fact, many hitherto dormant or hidden problems have surfaced: ethnic conflicts, nationalism, religious intolerance. Regretfully, the Cold War could still be replaced by a 'cold peace' or, worse still, a 'hot chaos,'" noted the minister.

Speaking about the present balance of forces, Olechowski emphasized the emergence of small- and medium-sized states and their growing role in the pluralistic political landscape. Previously, the role of these states amounted more and, at best, to mediation or observation of events, rather than active participation in them. Now they are becoming partners in the international dialogue.

In this context, the minister presented the activities of Poland as an example of a medium-sized country that is making efforts toward global cooperation. As the most important components of our foreign policy, he described good relations with "all of our neighbors" and the treaties signed with them, and involvement in the development of regional cooperation, including cooperation within the Visegrad Group and Poland's efforts for membership in institutions, the makeup of which "has been determined by the logic of a divided world."

The reason for Poland's efforts to enter the European Union, WEU [Western European Union] and NATO is its striving toward one Europe, one world. Guided by this, Poland has positively and confidently joined the Partnership for Peace program. Because of its history, size, and vital interests, Poland wants to join NATO not as a state defending a bridgehead but as a country promoting cooperation. We do not want to create new divisions. On the contrary, we want to eliminate the divisions that remain from the past and that are still with us, declared the minister.

Andrzej Olechowski emphasized that medium-sized and small countries were potentially a great asset of the United Nations Organization, which so far has not been properly appreciated. He said that these states could play a stabilizing role and contribute toward global stability and security.

Describing regional-level activities as practical and effective, the minister nevertheless warned against the creation of a "loose constellation of separate villages." "We need a global, united village," said Olechowski, stressing that the UN is an institution that could create a framework for global cooperation.

The minister emphasized that Poland was helping in the execution of the fundamental UN task of maintaining

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peace and international security and tried to respond to Security Council appeals. As examples, he gave Poland's participation in UN peacekeeping operations in the former Yugoslavia, Rwanda, and, most recently, Haiti.

He reminded the listeners that more than 2,000 Polish soldiers are taking part in these operations. At the same time, he pointed out that ensuring the safety of UN peacekeeping detachments requires better dialogue between the Security Council, the secretary general, and the participating states. This especially applies to situations that require the use of force other than in self-defense. "In such instances," emphasized the minister, "it is necessary to obtain a 'specific mandate' of the UN."

The minister supported the idea of expanding the Security Council with new members. He emphasized that the guiding criterion in this case should be the retention of that body's effectiveness. According to him, the expansion of the Council should take place through consensus and should respect the interests of all regional groups. At the same time, he stressed that the expansion of the Council should go hand in hand with an increase in its authority.

Minister Olechowski described efforts toward strengthening world peace and security as an important aspect of the current international situation. He emphasized that Poland was actively participating in multilateral negotiations in Geneva on signing a treaty on a wide ban on nuclear test explosions. He also described as necessary an unconditional and indefinite extension of the Nuclear Nonproliferation Treaty.

Adt the conclusion of his speech, the minister put forward the proposal to remove from the UN Charter the clause about the so-called enemy states that applies to the states of the Nazi axis: Japan, Germany, and Italy. This notion is contained in Articles 53 and 107.

He emphasized that this idea had not been used officially for 50 years. Furthermore, these states have become an inseparable part of the democratic world and a key component of the UN system.

Poland, as a victim of Nazi aggression, regards it as its moral duty to take the initiative to finally close that chapter of history. "We believe that the time has come to part company with transitory clauses, which were a result of the war, in respect of states that 50 years ago were enemies and are now partners in our joint efforts for the United Nations," said Minister Olechowski.

The minister proposed that the political decision about this be made at the current session of the UN General Assembly. This would make it possible to revise the UN Charter during the next—50th—session.

Daily Reports on Developments in KRRiT Dispute

WS2809142894 Warsaw GAZETA WYBORCZA in Polish 28 Sep 94 p 1

[Article by Agnieszka Kublik and Dominika Wielowieyska: "Walesa Does What He Wants"]

[Text]

- Walesa: I did so because my title is president.
- Presidium of the Sejm: The president was not entitled to do so.
- Democratic Left Alliance [SLD]: Are we going to agree to it that the law be transgressed?
- Labor Union [UP]: We will limit the president's powers concerning the National Radio and Television Council [KRRiT].

* * *

The storm over the president's decision of 23 September to recall two members of the KRRiT—Marek Markiewicz and Maciej Ilowiecki—has yet to die down.

Everything seems to suggest that, in the Sejm today, UP will submit a motion requesting an extension of the agenda: It will propose that the first reading of its amendment bill to the law on the KRRiT be held. The bill, on which the Culture Committee has already worked, limits the powers of the president in the area of appointing the council's chairman. Some deputies believe that it is possible to deprive the president of the right to appoint his own KRRiT members.

Divergence of Opinions

Lech Walesa met on 27 September with the Presidium of the Sejm. The Presidium believes that the president infringed the law by recalling Markiewicz and Ilowiecki. The Belweder's lawyers maintain, however, that Walesa had such a right. Sejm Deputy Speaker Aleksander Malachowski (UP) called it "irremovable divergence of opinions."

Sejm Speaker Jozef Oleksy was asked yesterday evening whether he could see a possibility of bringing the president before the State Tribunal if legal analyses prove that he did not act in accordance with the law. He replied: "I cannot answer this question yet. This must be perceived in a broader context of maintaining peace in the country and the image of Poland in the international arena."

"Bringing the president before the State Tribunal for making personnel decisions does not seem reasonable to me," conceded Malachowski after his meeting with Walesa. "This would be detrimental to the prestige of the State Tribunal. The only reasonable response is to amend the pertinent law."

While discussing the meeting with PolSat television, Sejm Deputy Speaker Jozef Zych said: "The president admitted that the legal bases for his action are not very sound. He pointed out, however, that he had lost his confidence in the council."

The Presidium of the Sejm later met with all of the KRRiT members, including the new ones as well as those who were recalled.

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Walesa: I Have Won

Oleksy was disappointed that Walesa had not put off his decision to appoint new KRRiT members until Tuesday, which the Sejm speaker appealed to him to do on Saturday.

"I did so because I am independent and self-governing, and my title is president," Walesa said at yesterday's session of the government.

SLD: It Is a Game for the Media

"This is a challenge for all political and legal establishments in Poland. They must answer for themselves the question of whether they agree to a situation in which the head of state, who, according to the Constitution, should uphold the law, in fact transgresses it—whether, in the name of political peace and preventing political destabilization, we are choosing the lesser evil and reaching a compromise," we were told by SLD Spokesman Zbigniew Siemiatkowski.

"Walesa wants KRRiT to find itself in a crisis in which the remaining six members of the council find themselves simply unable to cooperate with those proposed by the president. This will pave the way for a change in the political configuration within KRRiT."

According to Siemiatkowski, the possibility cannot be ruled out that the new council may draw conclusions from past experiences and may be dependent on the president. Thus, it may also help his dreams come true: a new nationwide private television network and Wieslaw Walendziak removed from the position of Polish Television chief.

Commentary on Members' Recall

WS2809153694 Warsaw GAZETA WYBORCZA in Polish 28 Sep 94 p 1

[Commentary by Jacek Zakowski]

[Text] Walesa wants his own television station. He will keep on fighting until he gets one, even though he may accomplish this at great political cost.

By appointing new members to the National Radio and Television Council [KRRiT] without justifying in writing the decision of the Supreme Administrative Court, he demonstrated disregard for the law, which is hard to associate with the great stature of the head of a democratic state. The president presented the nomination to Mr. Kwiatkowski, who is linked to a television station rejected by KRRiT (Kwiatkowski was a lawyer for the head of Top Canal). By doing so, the president reinforced the impression that what he is concerned about is not the clarification of some legal doubts; what he really wants is a license.

The fate of KRRiT, the independence and apolitical character of which were listed among the greatest achievements of Polish democracy, shows the darkest characteristics of the political scene.

The president, who is carrying out a policy of facts, does not pay attention to the details of the law and, as Ewa Milewicz put it, "falandyszizes" [derived from the surname of Walesa's aide Lech Falandysz] the law.

The prime minister, meanwhile, remains silent and seems not to pay any attention to minor things.

The Democratic Left Alliance sent signals that it does not want to die for two KRRiT members, just as in the past it did not want to die for its chairman, for its own deputy prime minister, or for the Mass Privatization Program.

Perhaps today deputies will make the strategic choice between the rule of law and "falandyszizing."

SLD, KRRiT Officials Comment

LD2809194994 Warsaw TV Polonia Network in Polish 1830 GMT 28 Sep 94

[From the "Wiadomosci" program; presented by Grazyna Bukowska]

[Excerpts] [Bukowska] The parties of the ruling coalition feel that the decision of the president on the recall of two members of the National Radio and Television Broadcasting Council [KRRiT] is illegal. The Democratic Left Alliance [SLD] will put forward its own draft for the revision of the law on radio and television broadcasting, which will most probably limit the prerogatives of the president.

[Correspondent Lukasz Perzyna] [words indistinct] coalition, Aleksander Kwasniewski, said that both the SLD and the Polish Peasant Party [PSL] acknowledge both the decision of the president and the interpretation put on it by Professor Lech Falandysz to be without a legal basis.

[Aleksander Kwasniewski, SLD leader] The evaluation is a joint one, and here there has been—and activities have been undertaken here that are not in accordance with the law that is in force, and that this state of affairs is undoubtedly unfavorable [sentence as heard]. Because there is a proposal for the revision of the law on radio and television, on the KRRiT, we will be proposing solutions that will possibly, in the future, eliminate such situations.

[Perzyna] Although Aleksander Kwasniewski feels that the president has broken the law, he is against impeaching him before the Tribunal of State and says that he will never sign such a resolution. On the other hand, the SLD will most probably put forward its own draft revision of the law on radio and television broadcasting. One of its variants will envisage that the president appoint only one, and not three, as is the case now, out of the nine members of the Council. [passage omitted]

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The Council established yesterday that Markiewicz and Ilowiecki, who acknowledge their recall by the president to be illegal, will not participate in meetings of the Council but will work normally.

[Ilowiecki] I came to work this morning, and the guards, apologizing, said: Sorry, but Mr. Zaorski has forbidden you from entering your own office. And, well, I of course immediately said that I had been invited by Deputy Siwiec [a KRRiT member].

[Perzyna] Markiewicz and Ilowiecki entered the building after the intervention of other members of the Council, who said that they are their guests. The chairman of the Council admits that he instructed that a list of people authorized to enter the building of the Council be prepared.

[Janusz Zaorski, KRRiT chairman] I explained that, in light of the law, Messrs. Ilowiecki and Markiewicz have been dismissed. On the other hand, if they want to enter the building of the KRRiT, there are no hindrances because they may take advantage of an invitation of a KRRiT employee.

[Perzyna] After the morning incident, Andrzej Zarebski sent the security functionaries a letter forbidding them from denying Markiewicz and Ilowiecki access to the building of the Council. [passage omitted]

[Bukowska] The Union of Labor has also put forward a draft revision of the law on radio and television broadcasting, which the Sejm will consider on Friday.

SLD Wants Law Revised

LD2809184994 Warsaw Radio ZET in Polish 1800 GMT 28 Sep 94

[Text] The Democratic Left Alliance [SLD] wants to revise the radio and television law so that the president is able to appoint only one member of the National Radio and Television Broadcasting Council [KRRiT]. One person would also represent the government. The remaining seven members would be representatives of parliament. The chairman of the council would be appointed solely by members representing the Sejm and the Senate. Every entity appointing members of the council woud be able to recall them at any moment, and the mandate of an appointed council member would expire together with the expiry of the mandate of the appointing body.

SLD leader Aleksander Kwasniewski and Janusz Piechocinski, leader of the Polish Peasant Party [PSL], are agreed on the need for such changes. This revision would begin to apply from the day of its adoption, which would mean the dismissal of the entire present council composition. The idea is opposed by deputies from the Union of Labor [UP] and the Freedom Union. However, if such a draft were to gain a majority in the Sejm and tje Senate—that is, if it were supported by the PSL—the president would most probably veto it.

The support of the coalition by UP would be sufficient to overturn the veto. The failure to sign the law would then threaten Lech Walesa with impeachment before the Tribunal of State.

Walesa Unhappy About Officials' Trips Abroad

WS2809150694 Warsaw GAZETA WYBORCZA in Polish 28 Sep 94 p 3

[Article by (dom): "Political Tourist Guide"]

[Text] The president does not like the fact that government politicians are making trips abroad without holding any consultations. He would like for the prime minister or the head of the Office of the Council of Ministers [URM] to hold a meeting with Foreign Affairs Minister Andrzej Olechowski before leaving on any extended trip.

"Lech Walesa suggested to the Sejm speaker that a meeting concerning foreign policy be held, with the participation of Senate Speaker Adam Struzik, Prime Minister Pawlak, and Foreign Affairs Minister Andrzej Olechowski," we were told yesterday by Presidential Spokesman Leszek Spalinski.

As we learned unofficially, the president told Sejm Speaker Oleksy yesterday that he is worried about the lack of coordination in foreign policy. He is concerned that no one informs Minister Olechowski about the details of the trips taken by coalition politicians. He means such information as, for example, who organizes such trips and according to what principles.

Walesa gave the example of the report published by GAZETA WYBORCZA on Senate Speaker Struzik, who is going to Slovakia now that the election campaign is coming to an end. The speaker will meet with leaders of only one party, which, in addition, is in opposition. Thus, his visit means support for part of the political scene.

The president is also not very enthusiastic about the trips made by Prime Minister Pawlak and URM Head Michal Strak. "The visit by the URM head to the United States and Canada produced some very negative press commentary, and the issue has not been clarified," the president reportedly told the speaker.

During Minister Strak's visit to America, newspapers carried reports that the visit was organized by private U.S. and Canadian companies. The minister did not provide an unequivocal answer to these accusations. He merely stated that there was nothing wrong in his contacts with private companies and gave assurances that the trip had been financed by URM.

However, when GAZETA WYBORCZA asked URM officials yesterday whether the entire trip (including the hotel costs) had been financed by URM, some of them said that they did not know, whereas others would not tell.

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"We happen to be looking for Jan Bisztyga, Minister Strak's foreign affairs adviser," we were told yesterday in the Government's Press Office. "We want to get an official answer from him. We know that the president intends to discuss this with the prime minister."

"I do not know anything about the date when the meeting between the prime minister and the president is to be held," GAZETA WYBORCZA learned from Prime Minister's Press Secretary Ewa Wachowicz. "The prime minister is very busy. He is planning another trip abroad—to Strasbourg."

Parliamentary Opposition Critically Assessed

94EP0098A Warsaw POLITYKA in Polish No 37, 10 Sep 94 pp 1, 4

[Article by Janina Paradowska: "The Opposition Falls Apart"]

[Text] One can only be envious of the comfortable position of the ruling coalition. The day before an important Sejm session during which discussion would center on, among other things, the vote of acceptance for the previous year for two governments, including the present one, the question of the unusually controversial tobacco monopoly, or the batch of the so-called police laws, essential for national security affairs—public opinion inquired only about the fact that the leading opposition group, Freedom Union (UW), had boldly decided to direct the Barbara Labuda affair to the Arbitration Court in Wroclaw, which is to decide on the eventual removal of Labuda from the UW. This occasion elicited—publicly, of course—an exchange of views between UW leaders from which one could assume that the Freedom Union, for all practical purposes, no longer exists, and with Labuda's expulsion, is making a food of itself to the very end. This was confirmed by Wladyslaw Frasyniuk. One also heard that the situation is not all that bad.

Following last year's elections the parties that reached the 5-percent minimum required for participating in these elections doubtless experienced a shock. Their impotence in face of the then efficiently operating [leftist] coalition voting machine was indeed overwhelming, especially in the case of the Democratic Union (UD), which had for four years been a ruling or at least a coruling party. Room for maneuver was restricted by the decision of the new government to endorse for passage by the Sejm most of the draft laws prepared by the [previous] cabinet of Hanna Suchocka. For how could these parties sharply attack programs that they had supported themselves? Especially considering that one of the Democratic Union's electoral slogans, so attractive to the voters' ears, was, "We are going to enter the parliament with a prepared legislative package." But now that package has been appropriated by the government of Waldemar Pawlak and debated for many months, because the current government is extremely restrained in its legislative initiatives. Thus it remained [to the electoral losers] to claim that the [leftist ruling] coalition, while presaging changes, is actually continuing the program of its predecessors, and therefore, all in all, the losers have scored a moral victory. Nowadays the credibility of these promises is being tested additionally by life itself, that is, chiefly by the extent of the disposable personal income of the average Poles, by the timetable for successive indexing of wages and retirement pensions, or by the absence of such a timetable.

In the last ten months the principal opposition party waged one major battle against the ruling coalition and lost several skirmishes. The battle was and is about the status of local governments (starting with their jurisdiction over local schools and ending with the powiat law [law introducing powiats (counties) as new administrative districts]). The skirmishes concerned, among other things, defending private entrepreneurs against a ban on a new popiwek [tax-exempt wage increases] and opposing broader auditing powers of the NIK [Supreme Audit Chamber].

The question of the neopopiwek law demonstrated anyhow that the [parliamentary] opposition can be effective only with the support of the president, who wields clout in the form of his veto power. Nowadays, in connection with the debate on state secrets, the Freedom Union [the UD joined in May with the Liberal Democratic Congress (KLD) to form the Freedom Union] is fiercely defending freedom of the press, which the ruling coalition supposedly wants to restrict, but its own position is quite ambiguous considering that the initial draft of the concerned law, much more restrictive than the current version, had been authored by Hanna Suchocka's cabinet. In those times a strong and secure state had been the government's priority. Nowadays, moreover, the ruling Democratic Left Alliance (SLD) is effectively playing the role of the sole defender of greater autonomy for local governments, and its standing is all the more strengthened considering, as it can point out, the failure of the previous governments to support local governments, if only on the crucial issue of gmina budgets, in the previous four years. Anyway, the SLD readily takes the credit for the Freedom Union's initiatives, sometimes on retouching them slightly and sometimes even passing them off directly as its own. Immediately after the former Deputy Minister of Health Marek Balicki had publicly presented his "Strategy for Health," the current minister palmed it off as his own "Strategy."

Other opposition parties, too, are causing no headaches to the governing coalition. For a long time the Union of Labor (UP) could not decide whether it was for or against, and when it finally decided to be "against," by then it had forfeited much of its credibility and got trounced in the local government elections. As for the Confederation for an Independent Poland (KPN), it limited itself to mechanically claiming that the government is "pursuing a policy of deliberate ruin of Polish industry and society" on behalf of foreign financial

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institutions, which has become quite a shopworn argument ever since the time when Prime Minister Pawlak demonstratively switched to a [Polish-made car] Polonez. Besides, the KPN is preoccupied with putting down dissension within its own ranks, and is doing it so effectively that soon it may cease to exist. As for the BBWR [Walesa's Nonparty Bloc for Supporting the Reforms], nobody listens to it, because it is a small grouping, even though, paradoxically, it offers ideologically the most cohesive program of action which includes firm support for private enterprise and private ownership, decentralizaton of the government, and defense of traditional, Christian values in public life. Were the currently leading parties to offer similarly cohesive programs of action on political and economic issues, we could hope that we are nearing a more normal political system under which the views and objectives of the governing coalition and the alternatives presented by the opposition are clear and explicit.

The past is increasingly becoming the domain of vicarious skirmishes. It is unfortunate and hardly accidental that Freedom Union, not so long ago an opponent of lustration [vetting of former nomenklatura], has now presented for Sejm discussion the draft of a broad law on lustration, and that the same thing was done by Union of Labor, although not so long ago, especially before the elections, it had gladly welcomed into its ranks individuals with strong ties to the previous communist system and even made a virtue of it. After all, it was supposed to be a suprapartisan party. I am not sure whether it is accidental that both these parties, with strong support from the KPN, are taking such a hostile stand against the last post-Solidarity minister of state, Andrzej Milczanowski, who is resolutely opposed to calls for lustration and decommunization. At times I even have the impression that, as time passes, these divisions dating from the past are the sole clear divisions on the current Polish political scene, and it is they that decide who is in the government and who in the opposition, who belongs to a particular party and who to another.

As for taking a stand on other issues, there the confusion is great and a definition of opposition is causing great difficulty to, especially, the parliamentary opposition. The situation of the fringe parties outside the parliament is definitely clearer, because they are decidedly rightist, whereas within the Sejm no deputy, except the BBWR deputies, wants to admit being a rightist, as if the conservative system of values were now something definitely worse and not even socially acceptable. Everyone would like to be a centrist, because outside the center there is only a wall, if not a void.

Moreover, it turns out that (at least some) fringe parties outside the parliament are more energetic than the present-day parliamentary opposition. They react much more rapidly nowadays to any move by the government than the opposition deputies who are able to act politically in the Sejm. It was only recently that the Sejm opposition began to resort to instruments such as interpellations and questions from the floor—tactics which at first were employed almost exclusively by deputies from the parties belonging to the governing coalition (to chastise their own government). Thus, for example, the secretariat of rightist organizations has undertaken jointly with Solidarity to collect signatures on a civic draft of the constitution. Regardless of how the politicians acting within these organizations and their views may be considered, it is worth noting that they exploited such a simply priceless gift to the opposition as civic initiative on constitutional matters; after all, all politics is local and it is locally that voters are wooed and party structures are established. That had long been made clear by the SLD when, in the past, while ignored in the Sejm, it had built up strong local structures and systematically wooed voters. That road was also pointed out by the success of UP, which was established on the soil of committees for protesting the antiabortion law, following a large-scale drive for collecting signatures as well.

The principal problem of most opposition parties nowadays is defining their own identity. This is a greater problem than a year ago. Precisely because the ruling coalition is arduously, stoically, and sometimes even with barely concealed ill will, continuing the basic direction of the reforms, and the economy is hardly an attractive battlefield, if we disregard the views of the Polish Peasant Party (PSL) [the SLD's partner in the governing coalition], which espouses state monopolies and a strong central government.

This concerns chiefly Freedom Union, where the differences in views on all key issues are by now so great that voters are confused about these views, except perhaps its view on more autonomy for local governments. This also applies to UP, which is increasingly perceived as a party offering perhaps effective but negative criticism, especially of privatization, and whose image is being obscured by the increasingly strident anticommunism of Ryszard Bugaj and [in contrast] the lenient assessment of the old communist system by Aleksander Malachowski, combined with merciless attacks on Solidarity politicians. Thus nowadays the principal distinguishing feature of UP is not leftism—if, of course, leftism is interpreted as something more than a continuing show of dissatisfaction with everything and everyone—but a virtually obsessive animus against President Walesa, which is ceasing to be a distinguishing mark on our political scene, because in that respect UP has so many competitors.

One year after the parliamentary elections and one year before the presidential elections the opposition is indeed crumbling. Properly speaking, it has wasted the past year. The Union of Labor Union has already harvested the bitter fruit of its indecision and poor organization in the elections to local governments, to which few if any of its candidates were elected. Freedom Union for the time being is harvesting similar fruit from public opinion surveys, which are unfavorable to it. If it continues to spend most of its energies on intraparty bickering, it will

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be still further discredited in the presidential elections. It already got a foretaste of this during the mayoral elections in Warsaw, when the personal ambitions of some party leaders tripped up the party's mayoral candidate. Of course, it would be untrue to claim that the disputes going on within the Freedom Union are not of a substantive nature: There is friction between the left and right wings, witnessed by the majority who are and have always been centrist. The shape and ideological image of this party will depend on the results of that friction. Its leaders are divided on whether to build a social democratic grouping or, jointly with a SLD faction, establish a Christian-democratic party or a party of the liberal center. This dispute will have to be resolved before they decide whom to nominate as their candidate for the presidency, because that candidate will become their natural leader. For the time being there are many candidates, the "contest for Basia" (as Frasyniuk put it) is continuing, and the party leadership continues to face the question of where its electorate really is. All further decisions should depend on finding an answer to that question.

[Box, p 4]

Presidium of the National Council of Freedom Union

Tadeusz Mazowiecki (Chairman), Donald Tusk (Deputy Chairman), Bronislaw Geremek, Bronislaw Komorowski (Secretary), Wladyslaw Frasyniuk, Waldemar Kuczynski, Janusz Lewandowski, Jan Litynski, Pawel Piskorski, Jan Maria Rokita, Hanna Suchocka.

[Box, p 4]

Freedom Union

Christian Democratic-Conservative-Liberal Wing: Tadeusz Mazowiecki, Hanna Suchocka, Jan Maria Rokita, Donald Tusk, Bronislaw Komorowski, Piotr Nowina-Konopka, Janusz Lewandowski.

Center (inclined toward Social Liberals): Bronislaw Geremek, Jan Litynski.

Social-Liberal Wing: Jacek Kuron, Zofia Kuratowska, Wladyslaw Frasyniuk, Marek Balicki.

Radical version: Barbara Labuda.

Government Reportedly Wants Strike Ban

WS2809153894 Warsaw ZYCIE WARSZAWY in Polish 29 Sep 94 p 3

[Article by Grazyna Tomala: "Strike Forbidden"]

[Text] A ban on political, hunger, and occupational strikes is envisioned in the draft law on collective labor relations prepared by the Labor Ministry. Solidarity ["S"] considers the government's proposals to be a provocation to the trade union. According to "S," the draft law deprives social partners of their only negotiating instrument because only such forms of strikes can force the government to hold negotiations.

"We know that the reform of the trade union law is like walking on razor blades. However, it is indispensable," Labor Deputy Minister Andrzej Baczkowski said on 27 September.

According to him, right now the balance between the powers of employers and trade unions is twisted. The draft law that is being prepared by the Labor Ministry envisions a balance between trade unions and employers on such issues as, among other things, the right to form associations, the organization's powers, and the principles of its functioning. The draft law precludes disputes concerning issues that are regulated in the collective labor relations.

"Beginning as early as November, trade unions will be able to negotiate in collective agreements all problems concerning employees' rights," Baczkowski said. "Thus, there is no reason for anyone to start a collective agreement followed by a strike."

The draft law also envisions the duty to start negotiations at any moment if one of the parties demands this. It also envisions that the character of mediation and arbitration, as well as the final character of the strike, will not be obligatory. Consulting, Arbitration, and Mediation Services would be set up to provide assistance in negotiations.

If a strike were declared illegal, employees might be dismissed in a disciplinary mode and would have to pay damages to their employer.

"This is an actual liquidation of trade unions," we were told by Ewa Tomaszewska of "S."

The "S" National Commission stated that the government's proposals "have been the most dangerous act against the essence, structure, and goals of trade unions in recent years."

Fiscal Policy: Possible Compromise With NBP

WS2909093794 Warsaw RZECZPOSPOLITA in Polish 28 Sep 94 pp 1, 7

[Article by K.J.: "Compromise of Intentions"]

[Text] *In September, the prices of consumer goods and services most probably rose more than the Ministry of Finance had projected—by as much as 4.3 percent. Nevertheless, the government believes it is realistic to assume that, at the close of this year, the inflation rate is likely to be 27 percent, said Grzegorz Kolodko, deputy prime minister and minister of finance, after yesterday's government meeting. The deputy prime minister confirmed that there are differences of opinion between the Ministry of Finance and the National Bank of Poland [NBP]*

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regarding projections of the inflation rate for next year. Yesterday, the government discussed principles of the state's fiscal policy for 1995.

The document for 1995 projects that the real interest on zloty deposits will increase, which does not exclude lowering these rates in nominal terms. It also states that direct financing of the budget deficit by the NBP will be limited to approximately 2 percent of the 1995 budget expenses. Meanwhile, at a press conference held after the government meeting, Grzegorz Kolodko spoke, rather, of lowering interest rates and of new NBP credits for the government than of increasing the real rates of interest on deposits and limiting financing of the deficit by the central bank.

At yesterday's government meeting, it was agreed that the NBP would grant the government credit for restructuring the London Club debt on conditions comparable with those offered by international financial institutions.

According to G. Kolodko, NBP participation in financing the deficit remains to be explained.

The deputy prime minister announced that, in September, inflation grew more than the Ministry of Finance predicted—by as much as 4.3 percent. The combined effects of this year's drought caused a 2.3-percent increase in the inflation rate, while the introduction of compensatory payments brought a 0.9-percent growth of inflation.

The deputy prime minister stated that there still exists a discrepancy between projections of the inflation rate for 1995 made by the Ministry of Finance and the central bank. NBP estimates for inflation over the period from December 1994 to December 1995 were 19 percent. The Ministry of Finance is constructing next year's budget assuming that inflation will not exceed 16.9 percent.

According to Deputy Prime Minister Kolodko, if we assume we will close this year with 27-percent inflation, the rates of rediscount and refinance credits should not exceed 30 percent.

If, however, we assume that next year's inflation will not be higher than 17 percent (as the Ministry of Finance wants) or 19 percent (according to the NBP), the rates of both types of credits at the end of 1995 should be lower than 20 percent, or only slightly exceed that level. As of now, however, as the deputy prime minister pointed out, the refinance credit rate is 33 percent, while the rediscount credit rate is 28 percent.

Despite differences as to interest-rate policies, Deputy Prime Minister G. Kolodko said that some compromise has been reached. The NBP claims that the nominal rate of refinance and rediscount credits should not exceed more than 2-3 percentage points of the inflation path, Deputy Prime Minister Kolodko stated.

Asked about next year's money supply, Kolodko said that this issue was not discussed yesterday. Meanwhile, from the NBP document, we learn that the strategic aim of the fiscal policy is to stabilize price levels and create conditions for harmonious economic growth. An indirect objective of this policy is to generate an amount of money that would guarantee limiting inflation and stability of the economy.

Keeping the state's currency reserves at a level guaranteeing debt redemption and currency convertibility are also recognized as objectives of the fiscal policy.

According to principles presented yesterday by the NBP, the central bank's fiscal policy for 1995 will be directed at a considerable lowering of inflation and increasing foreign reserves. This should allow, for instance, for minimizing the risk of the country's insolvency in connection with growing costs of debt redemption until the year 2010.

It is expected that, in 1995, the real interest rates for zloty deposits will increase, which does not exclude the possibility of decreasing these rates in nominal terms. Direct financing of the budget deficit by the NBP will be limited to approximately 2 percent of budget expenditures in 1995.

The NBP plans to lower obligatory reserves for banks on a larger scale than the projected fees to be payed by these banks to the Bank Guarantee Fund.

Police Close Amphetamine-Producing Laboratory

WS2909090694 Warsaw RZECZPOSPOLITA in Polish 28 Sep 94 p 1

[Article by Anna Marszalek: "Illegal Laboratory Found; Amphetamine—Polish Specialty"]

[Text] The Warsaw police, in cooperation with the police in Lublin, closed down an amphetamine-producing laboratory on 27 September. It was the third such laboratory closed down this year in Poland and the ninth in Europe. Several people were caught red-handed. As this issue of our daily was going to press, it was still not known exactly how many, because apartments were still being searched. The action was carried out simultaneously in many places in Warsaw.

According to police, the small factory was a professional laboratory. It was set up in a detached building. Several kilograms of amphetamine, with a street value of several billion zlotys, were secured (the amount might be divided into as many as several thousand doses). The laboratory was probably owned by the so-called Pruszkow Mafia.

An investigation is being conducted by the Voivodship Prosecutor's Office in Lublin. Two weeks ago a woman who came from this town and who was carrying 9 kg of amphetamine was detained on a ferry destined for Sweden. She was apprehended by the Swedish authorities and will stand trial in Sweden on charges of drug trafficking. Swedish services got in touch with the Polish

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police and prosecutors' offices. In Lublin, a man was arrested who is probably one of the organizers of the production and distribution of the drug. The leads were tracked to Warsaw. The 27 September action was carried out under the supervision of the Lublin prosecutor. Police and the prosecutor's office did not reveal details in the interest of the case.

Amphetamine Production, Trade, Smuggling Viewed

WS2609114794 Warsaw ZYCIE WARSZAWY in Polish 26 Sep 94 p 3

[Article by Krzysztof Wielgopolan: "Amphetamine Couriers; Polish Amphetamine Conquers the West"]

[Text] Increasingly more and more Poles are smuggling amphetamines. This year, 80 percent of the amphetamines detected in Sweden came from Polish laboratories. Polish couriers are serving long prison sentences in the West. Police admit that several factories of the "white powder" are certainly operating in Poland.

Thirty-four Poles were detained until mid-September for smuggling amphetamines; they lost 58.5 kg of this narcotic. They carried the "white powder" mainly to Scandinavian countries and to Germany. In West European countries, they are sentenced to long prison terms—sometimes to eight-or nine-year terms.

They smuggle amphetamines most often in secret compartments in the car, specially prepared for this purpose, such as in the gas tank or behind the dashboard. Smugglers also hide the drug under the upholstery or fasten it to their bodies.

"Many of the detained couriers do not even know what they are carrying. They are merely hired to deliver a package to a given address, for which they are paid an appropriate sum of money," says Commissioner Andrzej Domanski, deputy chief of the drug department of the Main Police Headquarters.

The greatest portion of amphetamines manufactured in Poland is sent to German and Scandinavian recipients. For example, as much as 80 percent of the amphetamines found in Sweden this year came from Polish laboratories.

"In comparison with prices on the drug market, Polish amphetamines are much cheaper. In addition, they are better, cleaner—a fact known for a long time now," policemen explain.

In the West, 1 kg of the "white powder" (depending on its quality) costs between $5,000 and $10,000. In Poland, the production of one kilogram costs approximately $200.

The first signals about production of amphetamines on an almost industrial scale in Poland came to police five years ago, when two Polish pilots were detained in the Hamburg airport for carrying 5 kg of the drug. Since that time, only two illegal laboratories have been liquidated.

"Not only we have problems with this," drug department policemen say. "It is a criminal organization with well-organized underground activities. Only one or two persons have access to a laboratory. In fact, even if we are about to catch someone, the evidence is not always sufficient for prosecutors."

In 1991, West European police forces, apart from Germany, liquidated seven laboratories.

The basic component used in the production of amphetamines in Poland is BMK [expansion unknown], a substance that is not manufactured in Poland and that is used in the chemical and pharmaceutical industry. Originally, it was imported mainly from Germany; however, for two years, since exporting conditions became more rigorous, BMK has been coming to Poland from Belgium, and recently even from Bulgaria.

"Information on importing BMK is listed on the same invoice along with tens of other chemicals. This is why its imports are sometimes simply not noticed," says Commissioner Domanski. According to the police, at least several illegal laboratories are operating in Poland. Dealers demand 300,000-600,000 zlotys for one gram of the "white powder."

The police admit that amphetamine trade and the fact that the drug is increasingly often used by young people is one of the main problems of the drug department.

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Prime Minister Meets Croatian Counterpart

LD2809205494 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 28 Sep 94

[Excerpt] A Croatian delegation, headed by Prime Minister Nikica Valentic, is visiting Bucharest. He held talks with Romanian Prime Minister Nicolai Vacariou about more extensive economic cooperation between the two countries. Srdjan Fabijanac reports.

[Fabijanac] There is great potential for advancing economic cooperation, so there are plans in the near future to sign an agreement on preventing double taxation, introduce an air service between Zagreb and Bucharest, and set up joint ventures. There are also plans to increase mutual trade from the present level of $10 million to $100 million a year. The Croatian prime minister stressed that Croatia fully supports Romania's efforts to join the Central European Initiative. They also agreed to hold meetings at the level of prime ministers once a year. [passage omitted]

Discuss Economic Cooperation

AU2909095894 Bucharest Radio Romania Network in Romanian 1800 GMT 28 Sep 94

[Text] The government delegation of the Republic of Croatia led by Prime Minister Nikica Valentic that started an official visit to Bucharest today was received by Romanian Prime Minister Nicolae Vacaroiu. On behalf of Romania, the meeting was attended by the ministers of industry, transportation, commerce, and tourism and by state secretaries.

According to information released by the Executive Branch, at the opening of the dialogue, the Romanian prime minister assessed Romanian-Croatian relations as being very good and in full swing.

The Croatian prime minister said that he is following Romania's efforts to stabilize and revive its economy closely and mentioned that the dynamic pace of bilateral economic relations has been proved by the fact that this year certain companies have doubled the volume of operations concluded with Romania and the total volume of exchanges registered last year was reached in the first nine months of this year.

Mr. Nikica Valentic said that the most important problem for Croatia is to halt the conflict in the former Yugoslavia and called for the continuation of the support granted by Romania, which is regarded as a country with authority in this region. The Croatian prime minister suggested that documentation and information points should be organized at the level of embassies in order to provide support for the Romanian and Croatian companies.

Mr. Nicolae Vacaroiu presented data on the stage of economic reform in Romania, stressed the need to have an accord on the protection of investments concluded with the Croatian side as soon as possible, and suggested that direct contacts between the two countries' ministries and businessmen should intensify. The Romanian prime minister also suggested that the issue of European integration should be discussed in order to find suitable ways of cooperation that would permit the acceleration of this process. Mr. Nicolae Vacaroiu also mentioned the actions that Romania has initiated to find peaceful solutions to the conflict in the former Yugoslavia and reiterated the wish of our country to make a contribution to finding viable solutions to the problem.

During the meeting, the sides also discussed the prospects for opening the Bucharest-Zagreb air line and for establishing some joint ventures, and agreed that the prime ministers should meet at least once a year to examine the way in which the cooperation programs are being implemented.

Report Reveals Major Fuel Smuggling to FRY

AU2809150494

[Editorial Report] The daily ROMANIA LIBERA in Romanian on 24 September 1994 on page 6 publishes a 3,500-word report, illustrated with photographs, by Florin Mircea Corcoz and Andrei Antica entitled "Gasoline Crosses the Danube," dealing with violations of the embargo imposed on rump Yugoslavia by the large-scale smuggling of fuel, which is reported to have become a very lucrative business along the Danube River separating Romania and Yugoslavia.

The report begins with an introductory note saying: "The authorities in Bucharest have twice increased the price of liquid fuels (gasoline and diesel fuel), claiming that the measures were intended to curb the smuggling of such merchandise in the areas where Romania borders Yugoslavia, the latter being at war and under UN sanctions. Press agency correspondents have recently been reporting from the regions under the embargo that this infraction phenomenon is spreading and that the quantity of oil products offered for sale is steadily increasing. Although the Romanian Government has imposed taxes for crossing the state frontiers with such products, the smugglers have a new and lucrative solution to this problem: The violation of the state frontiers both on land and water. The fact that the regime tolerates such threefold infractions—the unauthorized possession of oil products, the violation of state borders, and the smuggling of products falling under the embargo—have led both the local authorities and the population in that region to believe that the situation must be known to those in high positions in the state apparatus. We left for Moldova Noua thinking that we would be able to witness these infractions. We found people who have turned smuggling into their regular jobs. Initially we thought that they are merely doing it to survive, but we were shocked to see that they were not miserable people risking their lives to subsist, but in fact were literally billionaires. The border zone with Serbia, beginning with Vama Naides and ending with Orsova, has become a kind of a Saudi Arabia within Romania."

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The journalists go on to describe their fact-finding tour, which began in the town of Resita, about 130 km from Moldova Noua, where "gas stations are besieged by hundreds of cars, thousands of gasoline canisters and barrels, and about as many people waiting, sometimes endlessly, for the fuel that they will buy to sell again immediately. Attempts to buy 10 liters of gasoline at those stations will invariably make the people waiting in line fall about laughing. At Oravita, another locality situated about 30 km from the Serbian border, the gas station is choked with people and canisters. Behind the nearby buildings one sees parked trailers carrying metal tanks holding several tens of thousands of liters, waiting to be filled with gasoline or diesel fuel. In Oravita people have quit their jobs and have taken up "embargoing." All they do is try to have the barrels filled every day."

After reporting on the more or less ingenious ways in which tourists try to smuggle small quantities of fuel out of the country, such as under the seats, in the doors or dashboards of their cars, such attempts usually being discovered by the customs officers, who each week fill a 50,000-liter tank with confiscated gasoline, and after mentioning that the customs dogs trained to detect drugs have ruined their noses owing to too much gasoline-sniffing, the authors of the article proceed to report on the large-scale fuel smuggling, which continues undisturbed outside the border crossing points, both on land and over the Danube River: "The current price of a liter of gasoline fraudulently smuggled over the border into Serbia amounts to 1.6-1.7 German marks [DM]. The characteristic features of shipments made on land are: The extremely large amount of merchandise smuggled over the border and the blind faith of the business partners. Thus, tractors belonging to Romanian citizens haul tanker trailers carrying 5,000 to 10,000 liters of gasoline or diesel fuel over to Serbian territory. After being emptied, the vehicles are returned to their owners. Payment is made on the spot. There is some degree of honesty in this whole dirty business: The parties scrupulously observe all the agreements. Everything happens with the tacit and bought knowledge of the border guards."

Referring to the large-scale smuggling of fuel over the water, the article says: "Although this was started by fishermen, who until not long ago used to be the sole boat owners, currently public servants, physicians, army officers and soldiers, as well as policemen, are also involved in gasoline and diesel fuel smuggling. If not long ago the fishermen used to row across the river, now their boats are equipped with the most expensive outboard motors, made by Johnson, a U.S. company, and priced at about $2,000 to $4,000 each. By comparison, these motors make the boats of the border guards look like nutshells adrift on the Danube. The smugglers now use high-tech communication systems, the famous walkie-talkies. They use acoustic and luminous signals systems pre- established with their Serbian partners, under the guarding wing of those same border guards. Their boats are able to carry 1,000 liters of fuel and they often cross the river 20 times a day. The fuel is brought by special carriers, selected on the basis of references only, after which they are verified and double-checked. The fuel is then emptied from the tanks and poured into 60-liter plastic drums, which have the advantage of being light and cheap. In the areas where the smuggling is done over water, the price of the fuel, which is currently dropping owing to oversupply, varies around DM1.1 to 1.2 per liter."

"Of course, our report contains solely facts that we learned about or witnessed. However, the area in which smuggling is taking place with products falling under the embargo stretches from Timisoara to the Iron Gates II hydroelectric power station. The section that we managed to penetrate is one of the most humble ones. Nevertheless, here we found people and families whose 'business figures' exceed DM1 million. As proof one sees the imposing villas that have been built over the past three or four years, as well as the fact that many families of three or four own no fewer than three brand-new cars. Here is a list of the localities in which this illegal commerce has reached unprecedented levels: Moldova Noua, Libarajea, Macesti, Pojejena, Liubcova, Brezeasca, Svinita, and Pescari, which we placed last on purpose, as it is a former fishermen's village currently the bastion of infractions, a fortress of corruption and bribers, a place where even locally made products and everything necessary for life can only be bought with hard currency."

On the Danube "everything starts running at a seemingly unimportant signal: The buoys are floating upright in the water—this means that monitoring teams are about and therefore no operations should take place. Or the buoys are tilted at 45 degrees, meaning 'Come on, lads, let's go!' The buoys are handled by navy personnel. The tariff for each boat they are 'unable' to detect is DM50. Payment is made on the spot or in one of the pubs in Moldova Noua. When the border guards, most of whom are enlisted soldiers, begin their service on that border, they are compelled by their superiors to memorize the faces of the 'bosses,' who offer them meals, lodgings, and money during their service period. The soldiers on the border with Serbia smoke Marlboro or Kent cigarettes and drink nothing but scotch. Important people inside the whole machinery have revealed to us that at the conclusion of their period of service the soldiers leave for home with DM10,000 'pocket money.'

"Lately they have three times replaced the commanders of the Moldova Noua border guards battalion. The last one was replaced a week ago. The penultimate commander, Major Pop, was caught smuggling products against the embargo. That is, he was violating the border that he was supposed to be guarding. A few months ago a Major Mutuzac was lynched by the smugglers who he was cooperating with, because he had asked them to cease 'work' because an inspection was expected. None of his aggressors was arrested or sentenced. No finalized court cases are known to us involving people caught smuggling."

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After describing the fabulous wealth of the villagers, the authors of the article report on statements by the leaders of the Pescari smugglers: "They asserted that any attempts to halt the phenomenon in that area will mean war. This is what a fuel courier, who wished to remain anonymous, declared to us: 'If they send 100 counterterrorist fighters to Pescari, we will either bribe them or fight them. I am certain that the villagers have bought weapons from the Serbian smugglers, and they are prepared to use them if need be.' Talented businessmen as they are, the Pescari smugglers are already thinking ahead. Thus, they intend to replace human toil—which means exploitation—by machine labor. Recently, using money collected from the villagers, they bought a powerful pump, capable of pumping about 100,000 liters of fuel per day to the other river bank, using a pipe under the Danube. Their only current problem is that they do not have the pipe yet, but who knows how long that will remain a problem?"

The article concludes by outlining the circumstances under which the reporters carried out their assignment: "During the whole period of our investigation we were warned that we could end up as fodder for the fish. Some of our colleagues did experience the rage of the smugglers, and their car tires were burst by the border guards' bullets. But we got away with it."

Iliescu: Economic 'Curtain' Divides East, West

AU2909102794 Bucharest DIMINEATA in Romanian 21 Sep 94 p 1

[Speech by President Ion Iliescu at the opening of the Meeting of the Council of International Congress of Industrialists and Entrepreneurs in Bucharest on 20 September]

[Text] Ladies and gentlemen, I wish to welcome the initiative of organizing the meeting of the Council of International Congress of Industrialists and Entrepreneurs. The importance of the meeting lies in its goal, which is to relaunch economic relations among countries that are going through a transitional period. In fact, all these countries are experiencing a common process brought about by the transition to a democratic and pluralist organization of society and are confronted with similar difficulties that spring from the transition from a centralized, state economy to a modern market economy.

For many years on end, a great part of the economies of all these states was based on specialization in certain fields and complemented one another. The collapse of CEMA [Council for Mutual Economic Assistance] put an end to an important part of economic and financial connections established over years. Each country in itself as well as all of them together have felt the loss of important commercial and financial markets, in addition to the inherent costs of the transition to a market economy.

The restructuring of commercial and financial relations in this economic region is a very complex process and it cannot be achieved solely by economic companies through direct actions on the market. It has to be included in a broader strategy and assisted by an adequate framework of cooperation, by norms, and understandings convened by the sides directly interested in reviving this cooperation. Only in this way, assisted by informational, technological, and financial aspects, will microeconomic managements be able to identify the guidelines for restructuring the markets in the East and confer on our relations the efficiency that we desire and without which it is inconceivable to resume the process of economic exchanges intensively in this region. In a way, we have the advantage that we know well what mistakes we have to avoid because the entire experience of the CEMA is available to us. What we have to do now is to find appropriate forms of cooperation, fully benefiting from the structural advantages of our economies as well as of the experience that we have gained. We have to create new structures of worthier economic interaction both from a strictly financial viewpoint as well as that of seeking a more favorable position for our economies in the process of general European integration as well as in the tough and inevitable competition of Western European markets, toward which we naturally aspire.

Today a new situation has been created in Europe, which is characterized by the disappearance of ideological and political barriers and the spirit of confrontation generated by opposing military-political blocs, and also by an increasingly tendency toward European integration. Nevertheless, the difficulties posed by transition and the delay in reviving our economies, combined with certain tendencies in developed countries to regard this area mainly as a potential market rather than a partner in the economic field, runs the risk that ideological and political barriers between Western and Eastern European countries could be replaced by a new curtain, this time an economic one, which might cause a new split in the continent.

It is in the interests of all European countries to prevent the establishment of such barriers and to establish a system of economic relations based on equality between Eastern and Western European countries, which will ensure the acceleration of the transitional period and the achievement of the necessary standards for European economic integration.

I believe that developing genuine partnership relations is the only way to avoid turning our countries into backwaters characterized by economic, technological, and financial relations lacking the necessary substance for real progress.

We have all the necessary conditions to achieve such a partnership. I am thinking mainly of the remarkable human potential, intellectuals trained at the level of developed countries, important natural resources, and the industrial and technological potential of the countries in this region.

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How we can put all these to good use depends to a great extent on a more substantial flow of capital from the more developed countries toward this part of the continent, as well as on the establishment and development of a managerial class and of entrepreneurial initiatives in each of these countries.

However, to the same extent, the success of reform in our countries depends on the level of cooperation among them, on the ability to put to good use the potential and favorable conditions offered by the good-neighborliness and longstanding tradition of our commercial relations and economic cooperation.

I believe that all this will not require the revival of inoperative and inefficient economic structures, which had a rather ideological and political basis in the past. The re-establishment of certain traditional, mutually advantageous, economic relations among our countries must be encouraged on a pragmatic basis and adapted to the stage of reforms and the realities in our countries.

I am convinced that the debates of the Council of the International Congress of Entrepreneurs and Industrialists will find new solutions and ways to offer guidance to economic companies both in the commercial and the financial and technological fields.

Thus, the actions proposed by the Congress of the International Council of Entrepreneurs and Industrialists has a particularly practical importance and can make a contribution to reviving and developing our national industries, as well as to ensuring the success of economic reform in our countries.

Poll Indicates Opposition Gains in Popularity

AU2909102294 Bucharest ROMANIA LIBERA in Romanian 24 Sep 94 pp 1, 9

[Liana Ionescu signed report: "The IMAS Public Opinion Poll—The Alternative"]

[Text] Yesterday they published the results of the IMAS [Applied Media Research Institute] public opinion poll, which was conducted parallel to IRSOP [Romanian Institute for Public Opinion Polling] as part of the Electoral Training '94 program initiated by the Soros Foundation for an Open Society.

According to this third phase of the investigations, Emil Constantinescu, president of the CDR [Democratic Convention of Romania] received 52 percent and thus topping the popularity list of political personalities. Adrian Nastase [speaker of the Chamber of Deputies and executive president of the ruling Social Democracy Party of Romania—PDSR] has dropped to second place with 48 percent, followed by Ion Iliescu with 45 percent and Nicolae Manolescu [president of the Civic Alliance Party—PAC] with 31 percent. In the last four spots (unaltered as compared to the March and June polls) are: Bela Marko [president of the Democratic Union of Hungarians in Romania—UDMR], Corneliu Vadim Tudor [president of the Greater Romania Party—PRM], Gheorghe Funar [president of the National Romanian Unity Party—PUNR], and Ilie Verdet [president of the Socialist Party of Labor—PSM].

As far as the voting intentions of the public are concerned, the coalition of the opposition forces, that is the CDR plus the PD [Democratic Party], obtained the largest percentage, namely 54 percent (49 percent in favor of the CDR and 5 percent in favor of the PD) as compared to 37 percent who preferred the parties of the ruling government arch (PDSR, PUNR, PRM, PSM) minus without the PDAR [Democratic Agrarian Party of Romania]—the position of which has remained unchanged. PAC has registered important gains as compared to the previous polls (from 7 to currently 10 percent, thus occupying third place) and so has the PNTCD [National Peasant Christian-Democratic Party] (from 14 to currently 16 percent, thus taking second place after the PDSR. During the same period of time the popularity of the PD has decreased from 9 to currently 5 percent, whereas that of the PRM and PSM fell from 7 to 4 percent. Those favoring the PUNR have grown from 2 to 4 percent, despite the fact that 35 percent (formerly 23.5 percent) of the electorate disapproves of their having joined the government in tandem with the PDSR. Regarding the "Voting Intentions" section, the percentage of the people who could not make up their minds stands at 21 percent, which is actually very little compared to other countries. This means that we have a quite determined electorate.

In line with the unique questionnaire of the 1994 public opinion polling program, besides voting intentions and the popularity of political leaders, the IMAS poll also tried to shed light on three other issues: The assessment of the government's economic and social policy, the standard of living, and the impact of the mass media. Here, compared with the results of the March and June polls, is some of the most significant data:

A constant figure throughout the three polls is the very high level of dissatisfaction, people are obviously worried about price hikes (50 percent), a possible war in the region (39 percent), diseases (34 percent), and unemployment (30 percent). Only 29 percent of the sample among whom the poll was conducted believe that the country is heading in the right direction, as opposed to 56 percent, who believe that things are evolving in the wrong direction (57 percent in March and 47 percent in June). Only 2 percent are very satisfied with the life they are living; those who are not really satisfied represent 42 percent, and 24 percent are not satisfied at all. Dissatisfaction with various institutions is registered at 77 percent with respect to the parliament, 72 percent with respect to the government, and 62 percent with respect to justice. The public is satisfied, to some extent, with what the government is doing for culture (33 percent), education (30 percent), and health (27 percent), whereas it is profoundly dissatisfied with what is being done against corruption or to better the standard of living, salaries, and offer jobs.

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Privatization ought to be speeded up by the parallel reduction of the state intervention in the economy (58 percent, compared to 66 percent in March and 58 percent in June). A total of 37.4 percent believe that the mass privatization program will have no effect whatsoever on their personal lives, 23.2 percent think that those effects will be negative, and 21.2 percent expect a positive outcome. According to 42 percent the government's economic policy will not yield positive results.

Despite all the dissatisfaction, 27 percent believe that within a year their lives will be slightly better, 1 percent that their lives will be much better, 34 percent that it will be about the same, 31 percent that it will be slightly worse, and 7 percent that it will be much worse.

The impact of the mass media remains at the previously measured levels: Local dailies head the list with 38 percent, followed by daily EVENIMENTUL ZILEI, which dropped from 36 percent [in March] to 33 percent, daily ROMANIA LIBERA, which grew from 12 to 16 percent, and daily ADEVARUL, which dropped from 16 to 12 percent. The ROMANIA ACTUALITATI radio channel [Bucharest Radio Romania Network] and RTV 1 [channel one] of the national television network bring in the largest audiences.

The recent poll also included a new question about the involvement of trade unions in politics: 57 percent oppose it, 20 percent favor it, and 23 percent had no opinion.

As a general conclusion one can say that there have been but a few very obvious shifts in public opinion and that dissatisfaction regarding the problems of everyday life is growing.

New Cholera Cases Reported in Transylvania

LD2809211294 Budapest Kossuth Radio Network in Hungarian 1700 GMT 28 Sep 94

[Report by Tibor Bogdan]

[Text] Cholera is spreading in Romania. As opposed to earlier reports about two places, the disease has already been reported in six villages or towns in Mures County, including Ungheini, Chirileu, Szentpal, Vidrasau, Dileu Vechi, and one case in Tirgu Mures.

The number of patients admitted to the local epidemics hospital has increased to 51 by now; among them, the disease has been positively identified in 28 cases.

The situation has been made worse by the fact that many of those who become ill are gypsies, who are difficult to keep under observation. All this leads to the danger of a further spreading of the epidemic. Health officials are prepared for this. Additional hospital rooms at the Tirgu Mures epidemics hospital have been cleared and prepared for the reception of new patients who are suspected to have caught the disease.

There are 10 children among those who have been admitted to the hospital.

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Izetbegovic Addresses UN General Assembly

LD2809133994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2315 GMT 27 Sep 94

[Address by Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, to the UN General Assembly in New York on 27 September—recorded; in English with superimposed translation into Serbo-Croatian]

[Text] Mr. President, Mr. Secretary General, esteemed delegates. Allow me at the outset to commend His Excellency Mr. (Samuel Insanally) for (?the success) in conducting the work of the 48th session of the General Assembly. I would also like to congratulate his excellency Mr. (Amara Essy) for his election as president of this 49th session. I wish him (?every) success in performing this responsible task. I would like to thank the president for giving me the opportunity to speak on behalf of the Republic of Bosnia-Herzegovina at this distinguished and [word indistinct] gathering. Mr. President, I come from Bosnia-Herzegovina, a distant country that has currently been the subject of many discussions. Unfortunately, I have to begin my speech by repeating facts that for the majority of you may be or should be well known.

At the time, some three years ago, when Yugoslavia underwent its dissolution (?we did our best from the outset) to conduct this operation peacefully and without any violence. For reasons already known, our initiatives bore no fruit. When Slovenia and Croatia seceded and the dissolution of Yugoslavia became inevitable, we organized a referendum to decide in a democratic manner the fate of Bosnia. By a two-thirds majority, exactly 64.4 percent of the registered voters' body, citizens of Bosnia-Herzegovina opted for the independence of the country at the referendum of 1 March 1992. The international recognition of our country followed soon after, and with these the aggression against it. The decision on the recognition was made on 5 April 1992, and it was announced the following day, on 6 April 1992.

The Serbian and Montenegrin aggression against Bosnia-Herzegovina began on 5 April 1992, the same day the decision on the recognition of the country was passed. The aggression continues to this day with more or less intensity and without any prospects of coming to an end soon.

The war that was forced upon Bosnia-Herzegovina and its people that has now entered its 31st month belongs among the bloodiest wars in the history of mankind. At the very beginning it was not a war, but an attack by a well-armed and well-equipped army, the former Yugoslav Army, against defenseless people.

The results of this uneven struggle are as follows: 70 percent of our country occupied in the beginning of the war, more than 200,000 civilians killed, more than 1 million or 25 percent of the population expelled from their homes, hundreds of towns and villages destroyed. This cannot be described as a classical example of warfare. This was a war waged by an army against civilians and accompanied by genocide and unprecedented destruction of cultural and religious objects. The world has not responded appropriately to such barbarity. Whether it was because of the brutality of the attack or because it was morally and psychologically unprepared, torn apart by its contradictory interests, the world anyway seemed confused and hesitant.

When the news and pictures of new concentration camps in the heart of Europe appeared, the public was shocked. However, the responsible ones were mainly silent. Tens of thousands of people were killed in the camps, and many thousands of them disappeared without any trace. The more brutal an attack was, the more hesitant was the world response. The free world neither defended nor supported freedom. Our people facing the threat of extermination and a death sentence decided to defend itself.

However, it encountered a new absurdity. Its hands were tied because before the war began in Bosnia-Herzegovina, the United Nations passed a resolution banning imports of arms into the territory of former Yugoslavia. Everything changed as the war began and the attackers appeared on the scene, but the arms embargo remained, as if nothing had happened in the meantime. Justice has turned into injustice because the aggressor possessed weapons it had been stockpiling for 40 years. The victim was unarmed and its hands were still tied. The arms embargo resolution turned into a contradiction, maintaining the arms imbalance, prolonging the war, and turning the peace negotiations into the diktat of the better armed side. We told the world: You do not have to come to defend us, but do untie our hands and allow us to defend ourselves as they kill our children, rape our woman, and destroy our holy places. Recognize our right to self-defense.

However, the arms embargo has remained in place up to the present time. Our soldiers are fighting against artillery and tanks with only rifles in their hands. We have lost many people. According to reliable reports, 90 percent of them were killed by tank and artillery shells. Our towns and villages have been left at the mercy of this powerful military technology in the hands of murderers. More than 10,000 people were killed in the capital of Sarajevo alone. There is not a single family without a casualty. After all this the world has sent us only one message: negotiate.

Believing that the only correct path was to continue defending our land and that our just struggle would be helped by the freedom-loving world, we refused to negotiate with war criminals for a long time. Finally, facing the unendurable plight of our people and the indifference of the world and without any choice, we accepted negotiations.

It turned out that the aggressor only used negotiations to buy time and to cover up the continuation of the

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aggression. In March 1993, after long and painful negotiations and many concessions on our part, we signed the Vance-Owen plan. The aggressor refused to sign. This was followed by the next bloody round of war and then came another round of negotiations. The result was a peace proposal made by the Contact Group on 5 July this year. The aggressor again opted for continuation of the war. We accepted an unjust peace proposal in order to end the war in Bosnia-Herzegovina. We did this because we believed that the injustice caused by the plan could be corrected in the ensuing years of peace. Knowing the soul of Bosnia, we believed and we still believe that peace would save and war destroy what we call Bosnia. What we call Bosnia is not just a piece of land in the Balkans. For many of us Bosnia-Herzegovina is not just a homeland. It is a belief that people from different ethnic and religious groups can live together.

If it happens that this dream is forever buried, if the dream of tolerance among people living in this area is lost forever, this will not be the fault only of those who have been killing Bosnia with their guns for 30 months, but also of many of the international powers who could have helped and yet have chosen to do otherwise.

Two days ago I left Sarajevo. I did not use a plane because the airport was closed. I had to take a land route, which is constantly under fire and where many people are killed daily. For days now there has been no electricity, water, or gas in the city. The city is completely blocked and it is literally dying. Yesterday, after I arrived at the UN building I received a letter from Srebrenica, a small town on the river Drina. The letter was supposed to be a report but it is more of a cry from a real hell. I could not find the strength to read this letter for a second time. For three months now a new wave of ethnic cleansing has been in progress. Thousands of civilians—guilty because they are not Serbs—have been expelled from their homes in Banja Luka, Bijeljina, Janja, and other towns controlled by Karadzic's army. Once again nothing has been done. The world seems to have gradually got used to unpunished violations of the basic norms of international law.

For a very long period of time I refused, and I am still refusing to believe in the theory of conspiracy, that all this has befallen Bosnia because the majority nation is Muslim, and that there are some dark powers that consciously push the Serbs toward the annihilation of Bosnian Muslims. Those who claim so have their arguments.

I believe you, you have heard that before, namely that this aggression, followed by genocide, concentration camps, and other forms of darkest sadism is at play in Bosnia-Herzegovina. The world must be blind not to see this. It is blind if it conscientiously accepts all this evil. Blind it is not. Therefore, the other possibility remains. It is their argument that gains ever more support. It would not be good if 1 billion Muslims in the world accepted this argument. The latest events (?developing) around the Contact Group plan have given the supporters of the theory of conspiracy an additional argument. Namely, Bosnia-Herzegovina has been offered the proposal that was vetted by five major powers and therefore by the majority of the international community. It was clearly stated that the side that rejected this plan would be punished, while the side that accepted the plan would be protected. But the opposite happened: The Serbs rejected the plan and have been awarded by the suspension of the sanctions. We accepted the plan, but were punished by a complete blockade of Sarajevo. Both processes ran parallel and simultaneously.

These days, the highest UN civilian and military authorities are warning us: If you demand and receive the lifting of the arms embargo, the (?UNPROFOR [UN Protection Forces] troops will withdraw from) the Republic of Bosnia-Herzegovina etc, etc. I hope that I did not undertake this long and arduous trip from Bosnia to America only to convey the facts that may be known to the majority of you. We in Bosnia believe that good and justice, despite the hardship, cannot be defeated. We do not give up the faith that the world could be better and that we should all work and that we should all try over and over again in order to make it better. With this conviction I have come to (?speak) to you, to present some of our proposals, despite our disappointments and frustrations.

From this General Assembly and the Security Council we ask: First, that all resolutions on Bosnia-Herzegovina adopted by the Security Council and General Assembly be implemented.

Second, that measures be taken in order to effectively monitor the borders between Serbia and Montenegro on one side and Bosnia-Herzegovina on the other side, so that any movement of troops, (?weapons), and military equipment across this border be prevented or timely detected.

Third, if these transports occur, that the decision on the suspension of some of the sanctions against Serbia and Montenegro, UN Security Council Resolution 943, be immediately recalled and tighter sanctions (?be enforced) as (?set) in the Contact Group's plan of July 1994.

Fourth, that there is no further easing of the sanctions toward Serbia and Montenegro until they recognize Bosnia-Herzegovina and Croatia within internationally recognized borders.

Fifth, that a resolution be adopted without delay that could strengthen the protection and (authorize) the extension of the protected zones according to Security Council Resolutions 824 and 836, and in accordance with the provisions of point six of the contact group's plan.

Sixth, that a decision be made that will prevent the strangulation of Sarajevo.

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An integral part of these measures should be: The opening of the city along the northern communication road, the road and highway, by creating a demilitarized belt 2.5 km wide on either side of these roads. In this demilitarized belt only the UN troops and police may remain. A potential use of force against the strangulation of Sarajevo is envisaged by Article 4 of the NATO decision of 9 February 1994.

Provided that the above condition is fulfilled, and with the condition that UNPROFOR continues to carry out its function, the Government of the Republic of Bosnia-Herzegovina would be pleased to accept the new modified formula for the problem of the arms embargo. Namely, we would limit our demand for the lifting of the arms embargo only to the adoption of a formal decision, while its application or its consequences would be deferred by another six months. In this case UNPROFOR troops could remain in Bosnia-Herzegovina, the contact group would fulfill its promise, and a clear message would be conveyed to Karadzic's Serbs.

In conclusion, I would like to underline our two commitments:

First, our [word indistinct] (objective) is a democratic Bosnia-Herzegovina within its internationally recognized borders with full national, religious, and political rights for all its citizens. In such a Bosnia, the Serbs can enjoy all rights up to the highest level of autonomy, but they cannot have a state within a state.

Second, we consider that, like all other nations, we have an inalienable right to self-defense. Therefore, if for any reason our compromise proposal on the arms embargo is rejected, we will ask our friends to unilaterally lift this embargo immediately.

In this place I have to inform you that unfortunately, just today I learned that this compromise proposal has been met with resistance and even rejection from some contact group countries. In conclusion, I take the opportunity to express our sincere gratitude to all the friends of Bosnia who have supported her struggle for survival and freedom. I would also like to thank the president and all of you.

Mladic: No Need for UNPROFOR Alert Status

LD2909033994 Zagreb HTV Television in Serbo-Croatian 2150 GMT 28 Sep 94

[Interview with General Mladic, commander of the Srpska republic army, by unidentified correspondent; place and date not given; from the "Picture Versus Picture" program—recorded]

[Text] [Correspondent] Mr. General, your reply to General de Lapresle was met with fiery reaction abroad. UNPROFOR [UN Protection Forces] units have been put on alert.

[Mladic] UNPROFOR units have no need to be on alert as far as the Srpska republic army is concerned, particularly if they are acting in line with their mandate in accordance with what they were tasked to do by the United Nations. If they are peacekeeping forces there is no need for them to be on any kind of alert.

However, to date they have in a million ways violated their mandate. For three years they have been successfully supporting Muslim and Croat formations, from logistics to commanding, reconnaissance, and even NATO air support. In this way they have sided with.... [pauses] and are showing their real face: NATO members are only disguised as Blue Helmets, they have come here to implement NATO tasks, aims, and strategy.

Serb Gunners Kill 2 in Attack on UN Warehouse

AU2809150294 Paris AFP in English 1435 GMT 28 Sep 94

[Text] Sarajevo, Sept 28 (AFP)—Two people died and a child was seriously wounded when Serb gunners shelled a UN warehouse in northern Bosnia, UN spokesmen said Wednesday.

The Serbs fired five shells into Tesanj on Tuesday as an aid convoy was unloading at a warehouse run by the office of the UN High Commissioner for Refugees, with three landing 50 metres (yards) from the building, said UN Protection Forces [UNPROFOR] spokesman Lt-Colonel Tim Spicer.

Kris Janowski, spokesman for the UNHCR said "according to our information two civilians (...) were killed and a child severely wounded."

Asked whether he thought the warehouse had been deliberately targeted, Janowski said: "Since there were several shells near a UNHCR warehouse one might assume it was deliberately attacked." The shelling followed a similar incident in the first week of September in which no one had been hurt, he said.

The rounds were fired from an area north of Meljanovici along the confrontation line, said Spicer, and forced the cancellation of another aid convoy which had been due to unload at the warehouse. Convoys to the area would be escorted by UN troops from now on, Spicer added.

The UNPROFOR spokesman refused to be drawn on whether the attack was deliberate.

3 Serb 'Warlords' Killed in Internal Conflict

AU2809194994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 28 Sep 94

[Report by Omer Karic from the Information Service of the 4th Corps of the Bosnia-Herzegovina Army]

[Excerpts] In the area surrounding (?Bjelivice), the aggressor initiated occasional provocations with antiaircraft weapons and also fired two Maljutka guided missiles. [passage omitted]

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The day passed more or less peacefully on the Konjic battlefield, the exception being the usual few mortar shells fired at the village of Bijela.

According to verified reports, confirmed by several sources, the final dramatic act whose main protagonists were the commanders and warlords of the chetnik army from Vrak took place in the chetnik den of Borci yesterday, in which they have interrupted their military careers in a manner unique to them.

In an internal conflict in which they used explosive devices, in addition to three junior officers, Major Dragan Slijepcevic, commander of the Glavaticevo Battalion, warlord Nedzo Vidakovic, and Lieutenant Popovic, deputy commander of the Trebinje Battalion, all perished.

There is total silence in Borci and in the so-called Serbian Herzegovina because this event, despite the attempts to hush it up, quickly came to the attention of the already astonished residents. Regarding the event itself, Serbian sources say that the details of the deaths are not known and that the families of the deceased have been informed. Not for the first nor for the last time, we would add.

Croatian Serbs Continue Border 'Provocations'

AU2809121194 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 28 Sep 94

[Report by Muhamed Mulic]

[Text] Martic's chetniks from the UNPA's [UN Protected Areas] in Croatia, from the so-called Serbian autonomous region of Krajina, are still involved in provocations on the Bosnia-Herzegovina border, which is under the complete control of the 5th Corps. The enemy has been observed regrouping and bringing fresh forces to all lines on the front, as well as digging new trenches.

Although the 5th Corps has halted and crushed the largest aggressor offensive so far on the free territory of the Bihac region, and the 505th Chivalrous Motorized Brigade of Buzim has inflicted major losses in manpower and hardware on the enemy, capturing everything from bullets to tanks, there is no relaxation in the Bosnia-Herzegovina Army 5th Corps theater of operations. All the movements of the joint aggressors' units are being vigilantly monitored, so that any attempted attacks on the Bihac region can be responded to quickly and with adequate force.

Sarajevo Airport Closed for 'Forseeable Future'

AU2809135294 Paris AFP in English 1332 GMT 28 Sep 94

[Report by Jon Boyle]

[Excerpts] Sarajevo, Sept 28 (AFP)—Serb threats kept Sarajevo airport closed Wednesday [28 September] for the sixth straight day, dashing hopes for a return to a semblance of normality heralded by the return of power and water to the city after a two-week absence. [passage omitted]

However, all UN military and relief aid flights were cancelled again Wednesday after the Serbs failed to withdraw a threat against aircraft using the UN-controlled airport. The Serbs are also blocking all movement of UN military supply and aid convoys, which is forcing the UN to cut back patrols and left it with only 15 days normal fuel supplies in Sarajevo. [passage omitted]

Senior UN Protection Force spokesman Lt-Colonel Tim Spicer, who insisted the airport was open, said: "Discussions are taking place about the two immediate areas of of concern. One is the threat to the airport, the second the constraint of movement," he said. Once the threat had been removed "the flights will come in again," he added.

The airport is due to be raised by UN Bosnia commander Lt-General Sir Michael Rose on Thursday during a meeting with Serb leaders in their Pale stronghold. Spicer said UNPROFOR believed a handwritten note threatening aircraft using the airport had "emanated from the Bosnian Serb army command structure," and hoped for a resolution of the problem "in the near future." [passage omitted]

Spicer said Rose's meeting with Bosnian Serb leader Radovan Karadzic on Tuesday had been "useful" and had resulted in a Serb agreement to allow a British UN convoy move from Rogatica into Gorazde, ending a five day wait. [passage omitted]

One official here, who asked not to be identified, predicted the airport would remain closed for the forseeable future adding that relations between the Serbs and the UN Protection Force were "the worst they have been for a long time."

The Serbs were effectively blockading UNPROFOR in response to the double embargo they faced—from the United Nations and their brother Serbs in Belgrade, the official added.

The airport and convoy problems contrasted with the utilities situation in Sarajevo. Colonel Thierry Cambournac said power should be fully restored to the city Wednesday following completion of the final repairs.

Water would take longer as transformers at the Bacevo pumping station had been damaged by fire, leaving only five pumps working. He ruled out sabotage.

The almost two-week utilities blackout was the longest period Sarajevo had been without water, electricity and gas since the war broke out almost 30 months ago.

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Foreign Minister Meets With Iranian Ambassador

AU2809202594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 28 Sep 94

[Text] Bosnia-Herzegovina Foreign Minister Irfan Ljubijankic received Mohammad Ibrahim Teherian, ambassador of the Islamic Republic of Iran to Bosnia-Herzegovina, today.

Ambassador Taherian said that the companies from our country have great prospects for affirmation in Iran. Within this context, he anticipates the realization of great projects. Concrete plans will be determined in cooperation with the Ministry of Industry and Energy.

Minister Ljubijankic briefed his guest about the current situation in our country, especially in Sarajevo, and thoroughly explained the stance toward the lifting of arms embargo for Bosnia-Herzegovina in light of the address by Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, to the UN General Assembly in New York.

Ambassador Taherian assessed the position of our government as very wise, emphasizing that it confirms a democratic and peaceful orientation in the resolution of the bloody Balkan drama.

Croats Establish Interim Authorities in Prozor

LD2809205094 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 28 Sep 94

[Text] Prompted by the leaders of Herceg-Bosna, deputies of the Rama Municipal assembly held a meeting in Prozor today in order to find a way out of the very difficult situation in the area. Zdenko Vranjes reporting.

The municipal authorities have not been functioning in Prozor for two months now. Municipal leaders have left Rama, the courts are not working, and police activity is to all effects and purposes at a standstill. The authorities of the Croat republic of Herceg-Bosna have for a long time been trying to eradicate crime in the area, which is flourishing due to almost total anarchy.

In order to deal with this situation, the presidential council of the Croat republic of Herceg-Bosna convened today's session of Croat deputies elected to the Municipal Assembly in the last elections. The deputies have not met for two years. At today's session, chaired at the Presidential Council's decision by Dario Kordic, chairman of the HDZ [Croatian Democratic Union] of Bosnia-Herzegovina, they elected 30 people who will carry out the most important duties in the municipality in the interim period before the authorities are fully consolidated. They will try to establish an effective civilian authority and curb crime.

Srebrenica Health Situation Deteriorating Rapidly

AU2809202894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 28 Sep 94

[Text] Last week, 15 Bosnia-Herzegovina citizens were killed and 89 injured, it is reported in a bulletin issued by the Republican Headquarters for Medical and Social Welfare.

According to the available information, the epidemiologic situation in Srebrenica is deteriorating rapidly. Poor hygiene conditions, caused by lack of water and means of personal hygiene, have lead to an epidemic of itching and lice. The number of patients with contagious jaundice and typhoid fever is growing daily, and tuberculosis is reaching epidemic proportions.

According to the information from 61 municipalities on the territory of the Republic of Bosnia-Herzegovina, 143,806 persons have been killed, have died of starvation, or have disappeared so far, of whom 16,705 were children.

Mladic, Sarajevo Mafia 'in Collusion'

94BA0406A Zagreb VJESNIK in Serbo-Croatian 5 Sep 94 p 13

[Article by Alenko Zornija: "Karadzic Imposes Sanctions on Sarajevo: City in Hands of Mladic and Mafia"]

[Text] *Organized groups of profiteers are in collusion with the chetniks; when they feel that profits are falling, they give a signal to the chetniks, who employ provocation to block the roads—i.e., food deliveries—which in turn causes a rise in prices.*

Sarajevo—In parallel with preparations for the arrival of the Holy Father in Sarajevo, the chetniks are continuing to suffocate the city. For the umpteenth time, Ratko Mladic's war criminals have demonstrated that they are in a position to make life hell for the defenseless civilian population. Thus, they have again closed the city's natural gas supply line, whereby "black marketeers" who sell gas at astronomical prices have come into their own. The bitter Bosnian winter is slowly approaching and the land corridors are closed (indeed, on the broadcasts of his television, Karadzic announces "sanctions" that will be imposed on Sarajevo as a response to pressure from the Contact Group), so that Sarajevans are justified in their fear of what colder days hold in store for them.

The shelves of Sarajevo stores are gradually emptying, while because of the inexplicable indolence of UNPROFOR [UN Protection Forces], which permits constant interruptions of the airlift, only the most basic products are arriving in the city by alternate routes. It is interesting that for the first time at a session of the City Assembly there was open talk of how there exists in Sarajevo an organized group of profiteers that is in collusion with the chetniks. This was mentioned by deputy Nusret Biber, who accused the mafia of giving a signal to the chetniks when they feel that profits are

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falling, who in turn employ provocation to block the roads—i.e., food deliveries—which in turn causes a rise in prices.

Munja Affair Shakes Sarajevo

Still, the central topic of domestic policy discussion in Sarajevo is the "Munja affair." This concerns the dismissal of the chief of the Sarajevo police, Munir Alibabic-Munja, a person who was considered a very likely candidate to become, in the immediate future, the head of the most important ministry in the government, internal affairs. For some time now, this affair has been shaking the pinnacle of power of the Bosnian state, while readers of the two most prominent Sarajevo magazines, BOSNA and DANI (both publications reemerged, one after the other within a very short time, both after a lengthy pause) have had the opportunity to read about some of the risque details associated with this dismissal, as hot topics. Thus, particulars from a letter that Alibabic sent to the highest state institutions have been made public, in which he seriously accused current Minister of Internal Affairs Bakir Alispahic of a series of criminal acts, including trafficking in narcotics. It is also alleged that Alibabic accused Alispahic of having turned over to BOSNJACKI AVAZ, a radical ultra-rightist journal, the confidential police file on the brother of Haris Silajdzic, which four months ago, when the magazine first appeared, was a major blow to the Bosnian prime minister, and which led to the banning of AVAZ.

It appears that President Izetbegovic himself had to sort out the tangle by indicating his confidence in Minister Alispahic. Still, in view of Izetbegovic's previous tactics, it is believed that the "winner's" days as minister are also numbered. The threads of this affair continue to unravel, and it appears that a significantly larger number of high-ranking officials are involved in it than was initially assumed. The importance attached to all this is also indicated by the fact that the articles on the "Munja case" in both BOSNA and DANI were signed by their chief and responsible editors, who are currently Sarajevo's top writers, Senad Avdic and Senad Pecanin. It is significant that Alibabic is supported by BOSNA, which is regarded here as "Silajdzic's paper." In that publication, the services of the dismissed policeman in the defense of Bosnia-Herzegovina are stressed, especially in the area of intelligence activities and in fighting the mafia.

"Surrealists" Also Objectionable

On the other hand, DANI, which people like to compare to Split's FERAL TRIBUNE, describes Alibabic as exceedingly ambitious and covetous of power, citing his major failures, such as the information that he circulated about the burial of Serb criminal Zeljko Raznjatovic Arkan or information about how Karadzic's hands shake, that he is a bed-wetter, and so on. DANI also refutes Alibabic's merits in the showdown with Sarajevo criminals, alleging that Munja knew early on about the mass liquidation of Serbs in the old quarters of Sarajevo.

One other case has stirred up spirits in the Bosnian capital. In the spring of this year, the programming board of Bosnia-Herzegovina Television, fundamentally "reconstructed" with personnel from the SDA [Party of Democratic Action], banned the broadcast of a new series of the popular "The Surrealists." In the opinion of Minister of Culture Dr. Enes Karic and the Council of the Congress of Bosnian-Muslim Intellectuals (which is called the Muslim SANU [Serbian Academy of Science and Art] or the new Central Committee here), their sketches are an insult to the Bosniak nation. Allegedly, Bosniak women are depicted in dirty dresses, while gags in which "The Surrealists" joke about the Islamic hierarchy are also undesirable. Thus, it appears that the state apparatus has not yet been completely formed in Sarajevo; rather, new "bunkers" are being erected in which objectionable films, books, and performance will be stored.

On 1 September, Sarajevo telephone connections were completely cut off from the world, so that only direct satellite links are in operation.

Federation, Srpska Statistics Contrasted

94BA0405B Belgrade NIN in Serbo-Croatian 18 Aug 94 p 23

[Article by Drazena Peranic, AIM Sarajevo: "The Statistics of Division"]

[Text] The Federation, with an area of 25,087 square km, will have 67.7 percent of the total Muslim population, 82 percent of the Croats, 28.6 percent of the Serbs, 51.5 percent of the Yugoslavs, 48.8 percent of the others. The Serbian part [RS], whose area is 24,570 square km, will have 60.7 percent of the Serbs, 18.9 percent of the Muslims, 11.3 percent of the Croats, 25.4 percent of the Yugoslavs, and 33.1 percent of the others. Sarajevo, with an area of 1,540 square km, will have 13.4 percent of the Muslims, 4.5 percent of the Croats, 10.7 percent of the Serbs, 3.1 percent of the Yugoslavs, and 18.1 percent of the others.

On the basis of economic indicators, the social product, based on 1990 figures, was $5.132 billion in the Federation, or 48.8 percent; $3.338 billion in the RS, or 31.9 percent; and $1.981 billion, or 19 percent, in Sarajevo. On the basis of 1991 figures, 487,685 individuals, or 49.9 percent, were employed in the Federation, 312,337, or 31.9 percent, in the RS, and the employed labor force in Sarajevo was 178,021, or 18.2 percent.

The rail network would have 573.6 km, or 55.6 percent of its total length, in the Federation, 376 km, or 36.4 percent in the RS, and 82.4 km, or 8 percent, in Sarajevo. The highway network: 48.5 percent of the main roads (1,806 km) are in the Serbian part of Bosnia and Herzegovina, 47.7 percent (1,774 km) in the Federation, and 142 km, or 3.8 percent, in Sarajevo. The regional road network is divided up this way: 52.1 percent (2,521 km)

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in the Federation, 45.7 percent (2,211 km) in the RS, and 110 km (2.2 percent) in Sarajevo.

The energy potential and electric power production are to the Federation's advantage, while forests and forest land are larger in the Serbian part. Of the 25,563 gigawatt-hours of electric power potential possessed by the thermal and hydroelectric plants of Bosnia and Herzegovina 16,171 gigawatt-hours (63 percent) are in the Federation, and 9,392 gigawatt-hours (37 percent) are in the RS. The area of forests and forest land is 51.6 percent in the RS (1,349,584 hectares), 45.6 percent (1,192,339 hectares) in the Federation, and 2.8 percent (73,818 hectares) in the Sarajevo section. As to timber ready to be cut, the Serbs have 53.4 percent (159,789,000 cubic meters), the Federation 43.2 percent (125,285,000 cubic meters), and Sarajevo 3.4 percent, or 9.891 million cubic meters.

Of all the farmland 1.250 million hectares (49.5 percent) are in the Federation, 1.209 million hectares (47.9 percent) in the RS, and 66,000 hectares, or 2.6 percent, in Sarajevo. But the RS has 49.6 percent (577,000 hectares) of the cropland, the Federation 48.7 percent (566,500), and Sarajevo 1.7 percent (19,500 hectares), and 59.3 percent of the high-grade land is in the Serbian part (479,500 hectares), while the Federation has 38.7 percent (312,500 hectares), and Sarajevo two percent, or 16,000 hectares.

In the mining field 60 percent of the iron ore deposits are on the territory of the RS (372 million metric tons), and 40 percent in the Federation of Bosnia and Herzegovina (248 million tons). Bauxite is also mostly in the Serbian part (75 percent, or 26 million tons), and the Federation has the remaining 25 percent, or 8.75 million tons, but, on the other hand, lead and zinc can be found exclusively on the territory of the Federation, all 17.2 million tons. Among the nonmetallic minerals, salt and asbestos, just like lead and zinc, are exclusively on the territory of the Federation (350 million tons of salt and 1.2 million tons of asbestos), but the Bosnian Serbs have sovereign control of the kaolin, since all four million tons of it are in the part of the territory of Bosnia and Herzegovina which goes to them under the plan of the contact group. Gypsum and anhydrites, it so happens, are the only ones divided in half, that is, 50 percent, or 10 million tons, in both the Federation and the RS. As to deposits of refractory and ceramic clay, 19 of them, or 61 percent, are in the Serbian part, while 12 deposits, or 29 percent, are in the Federation of Bosnia and Herzegovina.

Among energy materials brown coal is mostly on the territory of the Federation (75 percent, or 846 million tons), while the remaining 25 percent, or 282 million tons, is in the Serbian part; lignite is also a plus for the Federation (65 percent, or 1,376,700,00 tons), while 35 percent, or 741.3 million tons, is in the Serbian part. All 6 million tons, that is, 100 percent, of the peat are on the territory of the Serbian part.

If we leave out Ilidzanka Banja, which is on the territory of Sarajevo, which would have 6 percent of the 17 spas and mineral springs in Bosnia and Herzegovina, the remaining 94 percent of the mineral springs and spas would be equally divided between the Federation and the Serbian part; that is, each would have eight of them, or 47 percent.

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Tudjman: Reintegration of Krajina or War

LD2909023094 Belgrade TANJUG in English 0030 GMT 29 Sep 94

[Text] New York, Sept. 28 (TANJUG)—Croatian President Franjo Tudjman asked the international community to engage itself on reintegration of Krajina in Croatia otherwise there would be war in this region.

Tudjman said at the United Nations General Assembly debate that any other option than the one he requested would mean pushing Croatia further into a more terrible war than the one already seen in the region.

The authorities in Zagreb have on several occasions threatened Croatia would, if need be, take Krajina by war. Although Krajina was declared a UN-Protected Area (UNPA) in the spring of 1992, Croatia has on four occasions committed aggression against it since.

The republic of Serb Krajina was proclaimed by the Serbs on their ethnic ancestral lands in the former Yugoslav Republic of Croatia in response to Croatia's unilateral secession from the former Yugoslav Federation and removal of the Serbs' national rights from the Croatian Constitution.

After the speech in the General Assembly, Tudjman told a press conference that Croatia would not accept a "technical" extension of the mandate of the UN Protection Force (UNPROFOR).

The first draft resolution on the extension of the UNPROFOR mandate, however, fell under the very category of what diplomats called "technical resolution" and that it contained almost nothing of that which Tudjman insisted on, Tudjman who wants UNPROFOR to make it possible for him to effect reintegration of Krajina.

Martic Threatens To Bomb Zagreb if Attacked

AU2909104294 Novi Sad DNEVNIK in Serbo-Croatian 27 Sep 94 p 2

[Report by S. Risovic: "Keep Your Hands Off Krajina!"]

[Text] Banja Luka, 26 Sep—We asked Milan Martic, president of the republic of Serbian Krajina, to comment on the latest threats by Croatian President Franjo Tudjman and Croatian Army Chief of Staff General Janko Bobetko that Croatia would reintegrate "the occupied areas" by hook or by crook to its constitutional and legal authorities. Without hesitation, he said specially for DNEVNIK:

"We opt for peace, because we are certain that nobody needs war. We are ready to discuss all issues of mutual interest for Croatia but also for the republic of Serbian Krajina on an equal footing with Croatia. However, if Croatia opts for war, if it attacks the republic of Serbian Krajina, it will cost it dearly. Yes, I have threatened that if we are attacked we will bomb Zagreb. We will bomb not only Zagreb but other cities and targets of our choice. Therefore I would recommend to Tudjman and Bobetko to give up on war, war has never brought any good to anyone so it will not help them either. Instead we should continue the process of negotiations."

Asked what if the UN Protection Force [UNPROFOR] pulls out of Croatia and how the republic of Serbian Krajina would then react, he said:

"The republic of Serbian Krajina and Croatia have signed an agreement on a cease-fire. Therefore, all we have to do is abide by it and there will not be any problems. If UNPROFOR leaves—we would not like them to leave even though we have not had much use from the peacekeepers—we would have no choice but to protect the Serbian population in the UN Protected Areas [UNPA] at any cost. The chances are that, were UNPROFOR to withdraw, the Croatian Army would try to occupy the UNPA. Of course we cannot allow that to happen," Martic said.

HSP Leader on UNPROFOR, Serbs in Croatia

94BA0406B Zagreb VJESNIK in Serbo-Croatian 6 Sep 94 pp 6-7

[Interview with Anto Djapic, vice chairman of Croatian Rights Party, by Aleksa Crnjakovic; place and date not given: "I Am Not a Warmonger!"]

[Text] The youngest leading figure in the third-strongest Croatian party, Anto Djapic, spent the summer like a mole: He tirelessly expanded the party's network, covering a distance of around 20,000 km all over Croatia in only two months. He also worked "on himself," mentally and physically, recognizing the extent to which one's appearance can be crucial in interparty contests. The appearance of a good-natured friend from the neighborhood should take a little of the edge off, even by dropping a few pounds—so that even "hard-line" righters will see that form is not separate from content. If he were not a party leader, Djapic probably would have already made for himself a brilliant career in marketing. Although concentrated on the interview, he concluded nearly every response with a propaganda message extolling his party. We almost expected him to pull a party membership application form from his pocket at the end of the interview.

[Crnjakovic] In 10 or so days, you will be holding your program convention, a year after the special convention in Kutina. What new things will you offer?

[Djapic] Yes, we are meeting in Rijeka on 11 September. At the gathering, Headquarters will report on the work of the party over the past year, and we will also offer changes and additions to the program, i.e., to the party's strategy. At this meeting there will be discussion of 11 main topics, encompassing everything, from domestic and foreign policy to the economy, demography, towns.... Now, after everything that has transpired, I can say that our program has proven to be the only genuine

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alternative to other political options. We offer the Croatian nation a program of moral renewal of Croatia, for which it is high time. The nation has entered a phase of disorientation, and is bombarded and "stuffed" with various information. We have an answer to every question, we know what we would do with UNPROFOR [UN Protection Forces], Bosnia, Serbs in Croatia, the borders, and transformation. If we were in power, we would also carry this through.

Old Positions, Adapted to the New Situation

[Crnjakovic] Why are you meeting in Rijeka of all places?

[Djapic] That choice was not random. Rijeka is one of the strongest centers for our party, and we think that in that region in particular it is necessary to strengthen the nation-building option, especially the Rights movement.

[Crnjakovic] Is the HSP [Croatian Rights Party] perhaps effecting a turnaround in its program?

[Djapic] Oh no, we are consistent with our positions, but we are adapting them to the newly emerging situation. For example, our position that UNPROFOR will not solve anything has been affirmed. But now we will have to say what the consequences must be once that fact is established.

[Crnjakovic] Which are?

[Djapic] UNPROFOR's departure, or rather Croatia's refusal to extend its mandate.

[Crnjakovic] Everyone in your party's leadership feels that way?

[Djapic] Yes, when it comes to fundamental questions, and this is one of them. However, we do expect intense debate after Trdin presents the domestic policy program, and Prkacin the foreign policy program. We have a softer and a harder line regarding the economy. Positions will distill out through debate, and the adopted program will also be the election platform.

[Crnjakovic] Are you perhaps hurrying because you believe that early elections will be scheduled soon?

[Djapic] It will be very soon, although not this year. Since the UNPROFOR mandate will be extended, the HDZ [Croatian Democratic Community] will have to have to undergo the electoral test, because these continuous extensions of the mandate obviously make Cyprusization inevitable. But the general economic situation is also bad, even though steps toward stabilization have been taken. I personally feel that it is not good to schedule elections while part of our territory is occupied, but there is no reason for us to be against early elections if the ineffective policy toward UNPROFOR is continued.

[Crnjakovic] Are you ready for elections?

[Djapic] Yes. In Rijeka we will adopt our political platform, in February of next year we will hold our election convention, and we have fully organized branches in the field. We have performed a political miracle.

[Crnjakovic] And so have you!

[Djapic] We have had major problems in the party. We have overcome them. We have fought on three fronts: on the battlefield, in the legal domain—with former party chairman Paraga, who stubbornly tried to use the courts to deny the will of the HSP membership—and we have also fought for the party's political image. This was hard work. We won all three battles. We created a new image for the party—it retained its sharp oppositionist and creative line. Our party must be acceptable to broad strata of the population; we cannot be content with only five to seven percent of the vote. We want to be the proofreader of Croatian policy—both of the ruling party and of the rest of the opposition—and we want to be the weight that will tip the scale at any moment.

We Have No Time for Paraga and the Like

[Crnjakovic] What about Paraga?

[Djapic] Right now, as we speak, he is here, in the Assembly, at Degoricija. Naturally, he has the right to be politically active, but as far as we are concerned he is finished. Strings are being pulled, for example NOVI LIST gives him a lot of space, which is not contestable, but it is contestable to participate in false representation. But we have no time to concern ourselves with that.

[Crnjakovic] But many people are appealing to the Rights movement, and there are several rightist parties with that in their name.

[Djapic] It is no problem to bring together 10 or 100 people and found a party with Rights in its name, whereby one creates a false picture of divisions within the Rights movement. The HSP is a parliamentary party that has no time for endless discussion of unifying all Rights parties. Such talk is tiresome, and giving way to it would mean repeating what happened with the faction-ridden Croatian emigre community, which was continuously in the process of uniting but never quite succeeded. The only genuine Rights party in terms of content and program, the HCSP [Croatian Pure Rights Party], has united with us. We are doing our job, and anyone who wants to can join us, without a lot of talk. Croatia is waiting for us.

[Crnjakovic] Are you realistically the number-three party in Croatia even now?

[Djapic] Yes, we are. In terms of membership and infrastructure, we are perhaps even number two. We have 140 branches, and we cover the majority of opstinas, nearly all cities, all zupanija councils. But what is important is that we as a party are completely different from the current top two, between which there are no

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major political differences, so that actually what is going on between them is a struggle for power. Perhaps some other opposition party, if it came to power, would be even more indulgent than the HDZ regarding UNPROFOR or Serbs in Croatia. We are consistent and uncompromised in these vital questions. We always give top priority to the liberation of the occupied areas and the return of displaced persons, while our second priority is dealing with problems surrounding freedom of information, human rights, and so on, which comes only after the country is liberated, even though those are essentially equally important questions. We also differ in terms of how to get Croatian land back. We are an opposition party that does not fill anyone's void. We assail not only the ruling party, but also opposition parties that also bear all the responsibility for the situation in Croatia. We have made the fewest mistakes.

Difficult Return to Assembly

[Crnjakovic] The Assembly session is coming up. You are in a good position: You do not have to make amends and devise a reason to return to the chamber. You have avoided an embarrassing situation. Will you now reap the fruit of your good assessment that the work of the Assembly should not be boycotted?

[Djapic] We really did assess the situation well! We had a good idea of what relations in the Assembly were like, we fought with the HDZ for four years, and we knew how to react to the tactics of opposition and blackmail. We were with the opposition to the extent that was desirable in terms of opposition solidarity. In politics it is necessary to have a certain distance from everyone. The opposition now has no choice; it must return, but returning now is much more difficult. I would not want to be in their shoes! Still, I must say that some of the things that were said about us were truly malicious, and I hope that they were simply the result of momentary anger and powerlessness.

[Crnjakovic] What will happen at the Assembly session?

[Djapic] It will be stupid if Dr. Mihanovic is not addressed as "Mr. President." The best thing is to return as if nothing had happened. Because the whole commotion did not begin because of any higher, global interests, but rather exclusively because of personnel matters.

[Crnjakovic] They say that you betrayed the opposition for your own interests—you personally because of your apartment, and the party so that they would leave it in peace.

[Djapic] Those are frequent imputations. In the HSP I do not have, nor would I want to have, the power to make such a decision on my own. That decision was made unanimously by Headquarters at the Sibenik meeting. What a stroke! In any event, when they accuse us of being the HDZ's sister party, I must remind them that representatives of all the opposition parties were in the government of democratic unity, and thus in a coalition with the HDZ, except us. And they accuse us of coalition contacts! In any event, we will always give our support to a party if it comes close to our program, just as we supported the HDZ on the issue of the name of our currency. Tomorrow we might join with the Liberals if they support the idea of a military cleansing of the borderlands. We do not favor the creation of an opposition bloc on such foundations because such an arrangement does not suit us, for thousands of reasons. The most important thing to us is not to be the opposition to the Croatian state.

What Is UNPROFOR Doing in Daruvar?!

[Crnjakovic] In the Assembly you will have to debate the UNPROFOR mandate. What will your position be?

[Djapic] Our position is that Croatia should not sign on to an extension of the mandate, even though all indications are that that will be done anyway. Croatia should not agree to that under any conditions. Because UNPROFOR has not established order anywhere, nor has it been a peacemaker. There is no chance that UNPROFOR will disarm the chetniks. Thus, reintegration with this type of UNPROFOR is impossible.

[Crnjakovic] In other words, you would wage war?

[Djapic] We do not favor the war option; we are not inciting the people, we only feel that in the end that will be the only alternative, so that we must create the preconditions for it: prepare the people psychologically and modernize the military. Not on the basis of party affiliation! The peace forces are using a typical bluff when they say, "We will leave if we want to." That is not true. They are strolling about our country like an occupying army. What are they doing in free territory, for example in Daruvar? It defies comprehension!

[Crnjakovic] And you think that small Croatia is not caught in the jaws of the great powers?

[Djapic] Of course UNPROFOR will stay even against our will, but in that case, let it be known that it is the will of the great powers that the Serbs occupy us. They have done that, since the chetniks in the UNPA's [UN Protected Areas] have their own courts, military, police, schooling, they are setting up colleges, and this is a practical example of annexation. It is clear to me that the interests of the great powers do not allow for the stabilization of the Croatian state. They want to punish it because Croatia decided to create an independent state.

[Crnjakovic] Would you vote for the deployment of peacekeeping forces on the Drina?

[Djapic] That would be better, but what does that mean? The only way to halt the Serbs is to cut off the corridor, stop negotiating with the chetniks, and conclude a strong military alliance with the Muslims. Even a change in the UNPROFOR mandate, which I suppose the opposition will advocate, means cementing the situation. There can be no haggling about Croatian sovereignty! We must

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hermetically seal the border between Serbia and Bosnia-Herzegovina and Croatia, and do so with our own soldiers and policemen. We must pursue an offensive diplomatic and foreign policy, not a colorless one. People do not know what the goals are. The HSP does.

Pilot Program? Nonsense!

[Crnjakovic] One question of immediate concern: What do you think of our negotiators going to Knin?

[Djapic] I do not support them. There is no sense in commenting on the bad political repercussions of talking with chetniks who have been validly declared war criminals. It is a catastrophe to open transportation routes to Serbia right now, to release petroleum and establish economic ties. That should not be allowed! Quite the contrary: We should not allow them to extricate themselves.

[Crnjakovic] Akashi proposes pilot towns to which Croat displaced persons would return. What do you think of that?

[Djapic] It's nonsense! Individual Croats will return to some sort of pilot towns, while Serbs from Belgrade return en masse to Osijek, Vinkovci, Daruvar, which is systematic reinforcement of the fifth column! Our office in Belgrade issues residence and travel permits to chetniks en masse! To me, anyone who left Croatia during the war and about whom it is not known where he was no longer has any business in Croatia. What business does envoy Markovic have with the Serbian patriarch, when the Serbian Orthodox Church in Croatia was one of the main forces behind the aggression against Croatia? I will seek a ban on the Serbian Orthodox Church in Croatia, as a terrorist organization. There is still a Serb lobby in Croatia, from the judiciary, administration and police, journalism—the strongest lobby. The Croatian leadership is again laboring under a historical delusion, and we have fallen victim to that delusion twice already: They believe in an understanding between Croats and Serbs. That is impossible. Serbia will not permit the stabilization of Croatia, because it knows that once it recovered it would easily get back all its historic and ethnic territory. Our only salvation is the Israelization of Croatia: We must be ready for the final showdown at any moment, because hopes for "peaceful" reintegration are actually hopes only for the politically blind.

HSP Has Best Program for Serbs!

[Crnjakovic] What about Djukic, Pejnovic, who are your colleagues in the Assembly?

[Djapic] I cannot choose who my colleagues in parliament will be. As it is, they were appointed to the Assembly through a decision by the majority party. I think that the SNS [Serb People's Party] is no longer acting from a position of loyalty to the Croatian state, which does not surprise me personally. They are consciously subverting the constitutional order of Croatia, seeking confederalization. This is a matter of scouting out the territory, and the only question is for whom they are doing that. But it is good that Djukic, Pejnovic, and others advancing such positions are in the Assembly, because in this way every last Croat can see for himself what it means to be a "loyal Serb."

[Crnjakovic] What rights would you give Croatian Serbs?

[Djapic] The HSP has the best program for the Serbs. You cannot solve the Serb question with gifts. After all, that question does not even exist for us. We do not want the Serbs to be ghettoized, but neither should they be privileged; rather, we simply want them to be just like us—citizens of Croatia, with rights and obligations. They cry that they are threatened, but how many Croats have lost a home, a leg, a job, many even their lives! We will not permit any sort of autonomy for Serbs in Croatia. Who has given autonomy to Croats in Vojvodina, Backa, Banat? They are simply told to clear out in three days. We must pursue a Croat policy in Croatia, not a Serb policy in Croatia. We are doing everything to humor the Serbs. We pride ourselves on figures of how many Serbs have returned, but I view that as a Croat defeat. They are returning, we are not, so that the appearance is that they were right, that the war began because they were threatened, so that now they are returning—under pressure from international public opinion and with acknowledgment of our errors. When a nation loses its national pride, it loses its identity. The HSP is not losing it.

To the Corridor—With the Muslims

[Crnjakovic] Would you allow Abdic into Croatia?

[Djapic] Do you know that we were the only party in Croatia to have a reaction at the very moment when Western Bosnia was created? We said that that was pure Yugoslav intrigue, that it was a front for the KOS [Yugoslav Counterintelligence Service]. Today we have confirmation of the full collaboration between Martic and Abdic. The Serbs were supplied through Abdic's "buffer." That policy has collapsed entirely, but no one in our country is drawing conclusions. When someone in our country botches something, the very least that happens to him is that he is given a diplomatic post. Still, it is good that Croatia did not get involved in rescuing Abdic. Croatia cannot be a refuge for anyone who has committed war crimes. We must remain firm in not allowing refugees from Kladusa into Croatia, because we are already overburdened as it is. And there are certainly plenty of Serb agents among them. We are a sovereign state, and we do not have to do anything that we do not consider necessary. We can help them by sending them on to Western Europe.

[Crnjakovic] Are you afraid that the Bosnia-Herzegovina Army alone will liberate the Bosnian corridor and thus become the victor who doles out the spoils?

[Djapic] I want the corridor to be liberated at any price! We should never forget that territory is ruled by whoever

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liberates it, and for that reason the HVO [Croat Defense Council] must also be involved ultimately in the liberation of Bosnia-Herzegovina. This is a historic opportunity to deal with our borderlands as well by cutting off the corridor. If necessary, the HV [Croatian Armed Forces] should also be involved in the fighting. We must not consider what others will say to us, even at the risk of sanctions, in which I do not believe. Anyway, why not get ready for that as well? The Serbs have lived under them for two years, because they know what is at stake here. This is a historic opportunity to regain territory. And the Serbs do not have a larger military than we and the Muslims combined. Nor do they have a stronger military than we do combined. They have problems with Kosovo, with Sandzak. We must take advantage of that and create an anti-Serb coalition in the Balkans.

[Box, p 7]

We Support Valentic

[Crnjakovic] Let us conclude with party questions. Will the HSP be able to "beat" its strongest competitor, the Liberals?

[Djapic] A media campaign has been conducted against us, and we have needed a year to arrive at a positive balance. We are now experiencing a big political upswing. We are rivals to the Liberals, but we have a clearer program and better-defined solutions to all essential questions, from UNPROFOR, the Serbs, nation-building, the economy....

[Crnjakovic] Do you support Prime Minister Valentic?

[Djapic] Mostly, yes. Mr. Budisa has said that he does not support him. And that, it seems to me, is a consequence of parliamentary struggle because the Liberals expected that Valentic would join them. The Liberals thought that Mesic and Manolic were torpedoes aimed at the HDZ, and that the Liberals would be the helmsmen of the opposition. It was the other way around. As brilliant players—and Manolic knows politics—the people in the HND [expansion not given] took advantage of part of the opposition. Perhaps that is the source of the anger toward Valentic. I personally think that the prime minister is doing a solid job of leading the government, and he will have our support in principle. For example, we are for order in the educational system, but we are not for the teachers' strike, because it could be transformed into something entirely different, and now is not the time for it, on the eve of the Holy Father's arrival. But if we are not pleased by the policy of Prime Minister Valentic regarding some important question, we will oppose him. That is our duty and obligation.

UN Reports Zagreb Cease-Fire Violations

LD2809142494 Belgrade TANJUG Domestic Service in Serbo-Croatian 1305 GMT 28 Sep 94

[Excerpts] Knin, 28 Sep (TANJUG)—Alan Roberts, UN Protection Force's spokesman in sector south, said in Knin today that the entry of Croatian Army troops in the Turanj separation zone near Karlovac, where they were still deployed, was a violation of the Zagreb cease-fire agreement. [passage omitted]

Roberts explained that Croatian troops entered the separation zone near Karlovac to prevent the refugees from western Bosnia from entering Croatia.

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Foreign Minister Views Greek Embargo, PFP

AU2909100894 Skopje VECER in Macedonian 24-25 Sep 94 pp 6-7

[Interview with Foreign Minister Stevo Crvenkovski by Goran Mihajlovski; place and date not given: "Several Tracks on the Balkan Crossroad"]

[Text] [Mihajlovski] You will be having a meeting with Cyrus Vance and Matthew Niemitz in New York. Will you, in the light of the elections, be asking for a halt to the negotiations until the new government comes to power?

[Crvenkovski] We shall probably be having a meeting with Cyrus Vance during the UN General Assembly session. It is almost certain that we shall be having a meeting with Matthew Niemitz. We are in a constant contact with him. There are no reasons for us to ask for an interruption of the negotiations. It is in our interest to have them going on continuously. Actually, at this moment we cannot call them negotiations, but rather an attempt to create the conditions for negotiations, and therefore there are no reasons whatsoever for interrupting this.

Normally, elections are of great importance for every country and must not be ignored. Nevertheless, the elections do not cause any obstacles to the attempt to have a productive dialogue.

Greece's Main Problem—Lack of International Support

[Mihajlovski] Does this mean that we are still in the phase "we are not negotiating, but we are negotiating on starting negotiations"?

[Crvenkovski] We are explicitly dealing with some known issues that are hampering normal dialogue at this stage.

First of all, it is the Greek embargo and Greece's insistence on acquiring something in the negotiations through this embargo. Our explicit and logical view is that the embargo cannot be the subject of negotiations and that it cannot exert pressure on the negotiations.

There still remains the question of the real aim of this embargo. The other side is also aware that it is an illusion to force concessions by means of an embargo. Therefore, there is certainly another goal behind this. My impression is that one of the intentions behind the embargo may be to cause instability in Macedonia [The Former Yugoslav Republic of Macedonia] and thus achieve other aims.

[Mihajlovski] What other aims?

[Crvenkovski] As the Greek side openly states, their main problem in relations with us, or toward us, as they themselves admit, is that they lack international support and that international support is to a large extent on our side. That is a secret neither for us nor for them. A probable way to change this situation is to bring about results in the elections in Macedonia that will either make us decrease or lose this international support. Their attempt to obtain a better position by implementing the pressure of an embargo against our government is a clear attempt to solve their main problem—international support—and this is quite understandable.

[Mihajlovski] Apart from the negotiations in the United Nations, in recent weeks German Foreign Minister Kinkel's plan for solving the Greek-Macedonian dispute has often been mentioned in the European Union. Is there really such a plan?

[Crvenkovski] There have not been any discussions about such a plan in the European Union. Some German officials have also confirmed this. However, Kinkel has expressed an explicit wish to help find a solution to the problem. Moreover, another clear wish is to reach a solution during the German presidency of the union. This is why Kinkel is expected to come up with an initiative.

[Mihajlovski] We have once again not been admitted to the CSCE. Are you worried by this?

[Crvenkovski] All the reactions and information that we had imply that the other side should be more worried. Every new meeting of the CSCE provides additional support for our admission to this organization, and thus over 30 countries gave us their support at the last meeting, while Greece was the only one to oppose it. Although our membership has been postponed, the fact that we are permanently there is of great importance for us, because Macedonia is always a subject of discussion and there is a growing support for our policies. We must not be dissatisfied with what is going on in the CSCE.

Compensation for the Damages of Sanctions

[Mihajlovski] The Contact Group for Bosnia-Herzegovina foresees an alleviation of the sanctions against Serbia and Montenegro. What is Macedonia's view on this, particularly since the new Yugoslav Federation has not yet recognized the sovereignty and independence of our state?

[Crvenkovski] Mutual recognition of all the states that have emerged from the former Yugoslavia represents a part of the Contact Group plan and, as far as we know, that was one of the topics at the last meeting of EU ministers. It is certainly of great importance for Balkan stability and we can see no obstacle there. In all our contacts with international organizations and with countries with which we have good relations we point to the importance of the Contact Group's view on mutual recognition for stability in the Balkans.

As far as the sanctions are concerned, we as a member of the United Nations fully support the decisions of the Security Council, and we are strongly committed to giving further support to the policy of the world organization. But what we are always bringing up as a problem

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in the United Nations is our dissatisfaction with how the provisions of the UN Charter on sanctions are being implemented, that is Article 50, which provides measures to extend assistance and compensation to UN member countries that are mostly affected by a decision on sanctions taken by the Security Council. Very little has been accomplished in this area, indeed practically nothing apart from some symbolic sums of money, and this is a subject of discussion in the General Assembly right now. It is our serious determination to raise this question again.

[Mihajlovski] The border with Serbia is becoming famous for incidents. We have witnessed murders, injuries, and Cupino Brdo was occupied. Do you think that the danger of war from the north has passed yet?

[Crvenkovski] There has been a whole series of border incidents of various kinds. There have been incidents associated with smuggling, up to classic border incidents with tragic outcomes. We have reacted after all these incidents within the framework of what is normal procedure in international relations and we undertook a very serious action at the time of the Cupino Brdo incident. This action not only yielded results, but it also demonstrated our policy on solving disputes with our neighbors. It was a coordinated action undertaken within the framework of the United Nations, with UNPROFOR [UN Protection Forces]. The CSCE also passed a special resolution, and the incident was dealt with in a peaceful way. We proposed to form a mixed commission that would settle relations concerning the delineation of the border. Our government has formed such a commission and has kept the other side informed, but we have not yet received their reply.

What may partially be an answer to your question about the danger of war is this: If we continue to treat every incident within the framework of international law and international institutions, and primarily, if we try to avoid incidents and tragic events to the maximum, I do not think that there will be any serious danger.

[Mihajlovski] The U.S. request to lift the arms embargo on the Bosnian Muslims is very topical. Will Macedonia make the same request if such an atmosphere is created?

[Crvenkovski] We have officially requested that the Security Council review the resolution imposing the arms embargo on all the former Yugoslav republics, because we think that this embargo, especially with reference to Macedonia, has neither a political nor any other kind of justification. Macedonia has never participated in any military action, it is totally outside the conflict, and there is no justification for such an embargo on Macedonia. However, we also clearly express our long-term determination—we have no intention of creating large armed forces and when we ask for the arms embargo to be lifted we do not intend to arm ourselves, but to remove a political absurdity and even an injustice to us, because we are under an embargo although we are conducting a policy in a totally different direction.

We Do Not Accept a Policy of Double Standards

[Mihajlovski] Can you comment on the growing tensions between Greece and Albania? I mean, is it in our favor for Greece to divert international public attention from the dispute that it has with Macedonia to one with another neighboring country?

[Crvenkovski] It is definitely not in our favor to have any hotbed of crisis in our vicinity. A vital interest of every country is to have as stable relations with its neighborhood as possible, as well as having its own internal relations settled. It is in our vital interest to have neighbors that are successfully developing democracy and we think that the conflicts and pressure created by Greece against Albania endanger the economic and democratic development of their own country, particularly because Greece is now implementing the same method that it has been using to prevent EU assistance and economic cooperation with Macedonia. Regardless of the essence of this dispute, in which we do not want to interfere, we think that the instruments of pressure, embargo, and closing of borders are absolutely unacceptable.

It is very important to stress that we must not accept a policy of double standards in any way. This policy has brought some of our neighbors to a dead end. What we basically consider to be unacceptable for us we think is unacceptable for any other country.

[Mihajlovski] The election campaign is under way. In your opponents' speeches we can see that they criticize the principle of equidistance from the neighbors, which is a basic tenet of current policy. They are advocating closer association with those that were "the first to recognize us."

[Crvenkovski] We shall not abandon the principles of equidistance and equal relations with all our neighbors. It is my firm belief that it is in Macedonia's vital long-term interest to base its foreign policy on the principle of equidistance. This is how Macedonia can fully assume the role of a factor of stability in the Balkans. Under more peaceful circumstances in the Balkans Macedonia could play a very important mediating role in other inter- Balkan disputes and, with its geographical position, Macedonia could intensify its role on the Balkan crossroads by conducting such a policy. Only a country that has equal relations with all can be trusted by its neighbors, whose mutual and world traffic relations depend on this crossroads, and thus extract all the economic and political advantages from such a position. Every attempt to play around with this equidistance principle and to prefer one neighbor to another works against the interests of Macedonia and can even be fatal for its long-term position in the Balkans.

The Problem With Greece Is Not Dominant

[Mihajlovski] A few months ago the question about "Partnership for Peace" [PFP] and cooperation with

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NATO was very topical. It seems as though we have forgotten about this lately. Is our membership of "Partnership for Peace" still current?

[Crvenkovski] It certainly is current because we think that our policies logically lead to participation in this program. Our formal participation in the program would mean a finalization of the process of our international activities.

However, there is something in this question that deserves a more thorough comment. That is the practical side of the "Partnership for Peace." It provides opportunities for consultations, cooperation in military training and technical assistance, as well as for a whole range of other activities. The member countries of NATO are fully supporting a large number of our activities and a great number of them can be accomplished even if we are not a formal member. With the visit of U.S. Defense Secretary William Perry and with what we agreed upon, as well as with all the other contacts that we have with the EU countries and the United States, all the doors for cooperation have been opened. We have also had a meeting with Mr. van Ekellen, secretary general of the Western European Union, with whom we discussed possible forms of cooperation. We found doors open there and there was great interest.

[Mihajlovski] You are always angry when we journalists insist on a question about the Greek-Macedonian dispute. Why? Surely this dispute is a burden on our overall foreign policy?

[Crvenkovski] I am not angry at all; nevertheless I react because I think that it is very important to understand what takes up such a large space in our foreign policy, with the aim of avoiding some mistakes. Some of our neighbors have fallen heavily into such mistakes and they themselves have become fully aware of their foreign policy problems. Foreign policy cannot be focussed and conducted on one track. At the beginning we had decided to run on several tracks, in order to prevent one track from "closing down" our whole foreign policy.

The problem with Greece is in no way the dominant part of our policy. I would say that 90 percent of our foreign policy has been now directed toward other issues. First of all, our economic relations are of key interest to us, either toward international organizations or toward bilateral cooperation with other countries. At this moment we are enjoying very good cooperation with many countries from the European Union and with the United States, and there have been some concrete actions, but we are expecting some larger projects soon in the economic sphere. We have started to develop extremely good cooperation with Japan since the visit of their three delegations.

A major task of our ministry now is to negotiate with GATT and we are planning to take action to become a member of the World Trade Organization. These are the last UN organizations that we are still not members of, and that is not for any political reason, but because long negotiations are necessary to reach agreements between GATT and the World Trade Organization on customs duties, non-customs protection, and the whole system of foreign trade. Great knowledge and attention must be involved in this field to open up possibilities for our exports, but it is also necessary to provide a reasonable level of protection for domestic production.

Another important issue is the negotiations and the signing of agreements with the European Union on trade cooperation and we have to secure a favorable position for our exports, as well as adequate treatment of our goods on the European market.

Commission Recognizes Presidential Candidates

AU2809220694 Paris AFP in English 2146 GMT 28 Sep 94

[Text] Skopje, Sept 28 (AFP)—Macedonia's [The Former Yugoslav Republic of Macedonia] electoral commission officially recognized Wednesday the candidacies of President Kiro Gligorov and principal opposition party official Ljubisa Georgijevski for the country's presidential election.

The commission rejected two other candidacies, those of Macedonian-born American businessman George Atanasovski and Macedonian Turkish party member Haliti Saban. Neither was able to obtain the 10,000 signatures required to be on the ballot.

Gligorov, the candidate of a three-party coalition called Alliance for Macedonia, is regarded as an easy favorite in the presidential election, to take place along with legislative elections on October 16 and 30.

The 77-year-old president has maintained his popularity and is merited for having brought UN peacekeeping troops to Macedonia at the beginning of 1993 to prevent violence during the former Yugoslav republic's move to gain independence.

Georgijevski, a 54-year-old theater director, has campaigned using the theme of "Macedonia for Macedonians," but his extreme-right nationalist party (VMRO-DPMNE) [Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity] has a notably low popularity.

Georgijevski opposes the calls by the Albanians in Macedonia, comprising 20 percent of the 2.3 million residents according to Skopje and 40 percent according to the Albanian Party, to create an Albanian-Macedonian federation.

"A state shared by two peoples is called war," Georgijevski said.

Legislative elections may prove to be more animated.

The Alliance for Macedonia, comprised of the Social Democrat Alliance (former communists), the Liberals

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(former reformers) and the Socialist Party, currently leads the polls with 28 percent of the vote. The Democratic Party of Petar Gosev and the VMRO-DPMNE follow.

But none of the parties seem to be able to garner enough support to win a majority of the 120 seats of the Macedonian parliament.

Opposition Says Government Obstructing Elections

AU2809172194 Skopje MILS-NEWS in English 28 Sep 94

[Text] During yesterday's press conference of the Democratic Party, the leader Petar Gosev stated: "The government wishes not to see fair and honest elections." Announcing press conferences every three days, he pointed out three main remarks. Lists of voters, he said, are not only incomplete, but are even made smaller than during the first free elections—it is alarming that fourentire generations, which have gained a right to vote by age between the two elections, have not been included in the lists. In order to prevent people from voting and to have a smaller voting body in the country, Gosev stated, military maneuvers are to be held exactly on the day of election and it is clear what part of the population will be deprived of its right to vote. "We are not against strengthening the country's defense, but are surely against manipulations and acting from position of power." Commenting the latest report by UN Secretary General Butrus-Ghali to the Security Council on forming an international commission for determining border lines with the Federal Republic of Yugoslavia, Gosev said it is nothing but a destabilization of the region. "Any presence of foreign military troops in a country must be regulated by an agreement and after government permission, but the Macedonian Government has not even been consulted about this, and the Democratic Party consistently pointed this out all the time."

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Peterle, Italy's Martino Discuss Relations

AU2809163694 Ljubljana Radio Slovenia Network in Slovene 1403 GMT 28 Sep 94

[Report by Uros Lipuscek]

[Excerpt] [Passage omitted] Slovene Foreign Minister Lojze Peterle is continuing bilateral talks in New York. The most important among these was definitely his one-to-one meeting with Italian Foreign Minister Antonio Martino yesterday.

After the meeting, Peterle assessed that the talks were very useful and explicitly aimed at overcoming the current state of relations between Italy and Slovenia. The fact that Italian Foreign Minister Martino will personally take part in the resolution of these problems is, according to Peterle, a very good omen.

The Slovene foreign minister said that he and the Italian foreign minister had agreed to continue the dialogue until the end of Peterle's mandate. This means that it is not impossible that they would meet again before Peterle's mandate expires.

Slovene Foreign Minister Peterle assesses that this meeting has demonstrated that there is desire to make changes even though a consensus about the minimal scope of this move has not yet been reached.

Statement by Economics Minister on GATT, WTO

AU2809180394 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 28 Sep 94

["Exclusive" statement by Economics and Development Minister Davorin Kracun to Radio Slovenia in Ljubljana on 28 September—recorded]

[Text] Slovenia signed its accession agreement to GATT yesterday. This was the end of negotiations that lasted two and a half years, and with this signature Slovenia has become a member of this organization.

GATT was one of big and important international organizations that Slovenia had not yet joined, and now we have became a part of a large international trade system.

The agreement is important for Slovenia primarily because, by it, Slovenia will internationally and legally protect its foreign trade interests. The negotiations were protracted also because Slovenia wished to assert its own vision of the protection of domestic production. I must conclude that the negotiations were successful and that the agreement is very favorable for Slovenia, allowing it plenty of leeway in drawing-up protection policy. This is especially important for agriculture. I must emphasize that, with this agreement, Slovenia was granted a similar protection policy in agriculture as is enjoyed by the European Union.

While the talks on Slovenia's accession to GATT were under way, a new world trade organization has been designed, that is, founded. The precondition for the accession to the Word Trade Organization [WTO] is previous GATT membership of the candidate country.

Slovenia is already continuing the negotiations for WTO membership and we expect that, after the signing of our GATT agreement, the signature will be ratified at the parliamentary session tomorrow evening. By this, Slovenia will fulfill the criteria for the negotiations on the WTO membership.

These negotiations are underway. I expect that they will end in the next two months and that Slovenia will, in this way, also become one of the founding WTO members. Ours is, thus, the only country that will join GATT and WTO simultaneously in this way.

Explosives Confiscated at Austrian Border

AU2909091594 Vienna NEUE KRONEN-ZEITUNG in German 28 Sep 94 p 14

[Report by Harald Kalcher/Christa Bluemel: "'Rolling Bomb' Stopped"]

[Text] On Monday morning Slovene police made a big catch at the Austrian border. They arrested a 28-year-old man who wanted to travel to Styria with 40 kg of explosives—enough to blow up a four-story building. One man involved escaped; possible motives are still unclear.

A confidential tip put the Slovene authorities on the track of this "rolling bomb."

So, the Maribor police waited for 28-year-old Boris S. in a truck parking lot at the Slovene-Styrian border checkpoint. Boris S. had in his car in this parking lot 40 kg of explosives, 20 kg of which were TNT and came from a former Yugoslav Army depot, and a Kalashnikov machine gun that were supposed to be transferred to a truck and taken to Austria. On behalf of two men behind the scenes, who were also arrested, the Slovene negotiated with the driver of a German car on the price: 630,000 Austrian schillings.

The police prevented the delivery and the unknown driver of the German car was able to escape.

Interpol is searching for this car in order to find out who the buyers for the smuggled explosives were and whether they were destined for Germany or Austria. So far, it is apparently only certain that the arrested Slovenes did not have political motives.

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Federal

Jovanovic: UN Counterparts Want Eased Sanctions

LD2809113494 Belgrade TANJUG in English 1058 GMT 28 Sep 94

["Pool" item]

[Text] New York, Sept. 28 (TANJUG)—Yugoslav Foreign Minister Vladislav Jovanovic has said five of his counterparts supported on Tuesday the further easing of the U.N. sanctions against Yugoslavia.

Jovanovic met in the United Nations headquarters with the foreign ministers of Canada, Egypt, Angola, Ukraine and Romania who also hailed Yugoslavia's latest moves toward the settlement of the Bosnian crisis.

Although these five countries have different stands regarding the crisis in the former Yugoslavia, a spirit of understanding prevailed, Jovanovic said.

Egyptian Foreign Minister 'Amr Musa in the beginning showed very little understanding for the easing of the sanctions against Yugoslavia, called for by a resolution adopted by the Security Council last Friday.

However, after Jovanovic came out with arguments in favor of the council's decision, Musa expcessed more goodwill and said the talks were useful for the better understanding of the Yugoslav position.

The U.N. Security Council imposed sanctions against the Federal Republic of Yugoslavia in May 1992 due to its alleged involvement in the civil war between the local Serbs, Croats and Muslims in neighboring Bosnia-Herzegovina.

The sanctions were partly suspended after the Yugoslav Government early in August decided to sever all political and economic links with the Bosnian Serbs and to shut down its border to all deliveries, except for humanitarian aid.

The decision came after the Bosnian Serb National Assembly voted not to accept the "contact group" plan for Bosnia.

Without discussing the details, Jovanovic said his talks with Romanian Foreign Minister Teodor Melescanu, and with Ukrainian Foreign Minister Hennadiy Udovenko, had been very useful.

Udovenko said Ukraine was working on finalizing bilateral agreements reached during a recent visit by Yugoslav Prime Minister Radoje Kontic.

Udovenko said Ukraine had decided to raise the level of diplomatic relations and to open an embassy in Belgrade instead of the existing general consulate.

The foreign ministers of Canada and Angola, Andre Ouellett and Venancio de Moura promised to support the return of Yugoslavia into the international community.

On Wednesday Jovanovic is expected to meet with the foreign ministers of Belgium, Italy and Libya.

Foreign Minister Meets Libyan Counterpart

AU2809211294 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 28 Sep 94

[Text] Yugoslav Foreign Minister Vladislav Jovanovic, who is visiting New York on the occasion of the UN General Assembly session, continued contacts with his counterparts. Minister Jovanovic met the Libyan foreign minister today. Here is a report by Tereza Guld:

[Begin Guld recording] Libyan Foreign Minister 'Umar Mustafa al-Muntasir reiterated his country's support for the Yugoslav policy of peace and for the lifting of sanctions. The Libyan foreign minister supported the normalization of relations between Yugoslavia and the Muslim world considering the influence Muslim countries have on the Bosnian crisis and the way it is to be solved. Vladislav Jovanovic told us that Minister al-Muntasir is ready to mediate with several Muslim countries with a view to ensuring the meeting of the Yugoslav delegation with a delegation of these countries at the 49th UN General Assembly.

The Yugoslav minister of foreign affairs is to meet today with the head of the Swedish delegation, (Skal), and Italian Foreign Minister Martino. [end recording]

UNPROFOR Commander Arrives in Belgrade

LD2809141094 Belgrade TANJUG in English 1305 GMT 28 Sep 94

["Pool item"]

[Text] Belgrade, Sept. 28 (TANJUG)—Commander of the U.N. Protection Force [UNPROFOR] for former Yugoslavia, French General Bertrand de Lapresle arrived in Belgrade Wednesday.

De Lapresle refused to give a statement to journalists at the Belgrade airport, from where he immediately left for talks with Yugoslav Army chief of staff, General Momcilo Perisic.

De Lapresle is expected to leave for the Zagreb-based UNPROFOR headquarters Wednesday night.

Croatia Said Prompting Prevlaka Intervention

LD2809213894 Belgrade TANJUG in English 1946 GMT 28 Sep 94

[Text] Belgrade, Sept 28 (TANJUG)—The Yugoslav Army chief-of-staff said here Wednesday that Croatia was trying to prompt Yugoslavia's military engagement in the Adriatic peninsula of Prevlaka.

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A Yugoslav Army General Staff statement quoted Gen. Momcilo Perisic as saying in a meeting with United Nations Protection Force commander for the former Yugoslavia Gen. Bertrand de Lapresle that Croatia's activities in resolving the Prevlaka issue were aimed at prompting Yugoslavia's military engagement although Yugoslavia had given Croatia no cause for this.

The statement quoted Perisic as saying that Croatia's verbal and public stands and conduct of its army troops in the "blue and yellow zones" around Prevlaka were aimed at triggering conflicts.

Croatian State Committee on Borders Chairman [words indistinct] changed the borders of its territorial waters with the Yugoslav Republilc of Montenegro, in this way getting 252 square km.'

The territorial waters are situated in the bay of Kotor in southern Montenegro virtually anticipating the issue of the Prevlaka Peninsula (at the entrance to the bay of Kotor) for which Yugoslavia accepted a temporary compromise solution after the 1992 London conference.

The solution placed Prevlaka under U.N. protection.

The statement said that with regard to the situation on Yugoslavia's border with the former Yugoslav Republic of Macedonia, both Perisic and De Lapresle said that good cooperation with the U.N. Protection Force [UNPROFOR] had helped reduce the number of border incidents.

The statement said the Perisic-de Lapresle meeting also focused on several important issues in the area of cooperation between UNPROFOR and the Yugoslav Army.

De Lapresle said UNPROFOR would make an adequate financial plan to make up for the residence and damage costs incurred by UNPROFOR members while residing in the town of Pancevo about 20 km northeast of Belgrade.

The statement said Perisic and De Lapresle agreed the U.N. force's impartiality was one of essential conditions for the resolution of all conflicts; the two generals also voiced hope that inconsistencies to that effect would be overcome.

Supreme Defense Council Approves Defense Plans

LD2709192594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1729 GMT 27 Sep 94

[Text] Belgrade, 27 September (TANJUG)—The Supreme Defense Council held a session in Belgrade today, chaired by FRY [Federal Republic of Yugoslavia] President Zoran Lilic, the military office of the FRY president has announced.

The statement says that "in line with its constitutional and legal authority, the Supreme Defense Council discussed and approved the basic plans and programs of training for the defense of the country and for work on tasks concerning defense and protection."

The statement says that the Council also reviewed "some personnel issues in the Yugoslav Army and passed decisions on terminating the professional military service of generals and the appointment and redeployment of generals."

In addition to the members of the Supreme Defense Council, Serbia's President Slobodan Milosevic, and Montenegro's President Momir Bulatovic, the session was attended by Federal Prime Minister Radoje Kontic, Federal Defense Minister Pavle Bulatovic, and Colonel General Momcilo Perisic, chief of the general staff of the Yugoslav Army, the statement says in conclusion.

Kontic Addresses Assembly on Economic Policy

AU2909074294 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 28 Sep 94

[Text] This afternoon, the FRY Assembly Chamber of Republics resumed its session from yesterday with the remaining item on the agenda: The report on the implementation of the economic policy for this year that was submitted by Federal Prime Minister Radoje Kontic. Here is a report by Vladimir Nikolic:

[Begin recording] [Nikolic] The policy that we have been carrying out and the results that it has been yielding were subject to meticulous monitoring and thorough analyses—not only by the federal and republican governments, but also by a broad circle of scientists and experts. Their evaluation was very favorable, Radoje Kontic said at the beginning of his expose. The basic aims and tasks of the economic policy in this year are being realized very successfully. Hyperinflation has been stopped and prices have stabilized, and that was done under the conditions of more than 80 percent of retail prices being formed freely, something that confirms clearly the market-orientation of our economic policy. The normal functioning of the new currency has been ensured and its stability achieved. Extremely significant results have been achieved in the sector of public expenditure. Contrary to some warnings, the processes of stabilization helped revitalize economic activity. Prime Minister Kontic pointed out that, despite the drought that reduced the yield of autumn crops considerably, agricultural production will be about 7 percent higher than last year.

There are signs of recovery in building and tourism. Since February, the cost of living experienced a continual fall, which, along with an increase in wages and other incomes, raised the people's standard of living and the level of their purchasing power.

Regarding the social sphere, Prime Minister Kontic said that it may be said that, despite many limitations, we managed to maintain the country's social stability at a satisfactory level. Certain positive trends appeared in the sphere of employment.

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Prime Minister Kontic pointed to monetary policy as the main instrument in checking inflation. In the near future, it is necessary to decide in favor of the following aims:

[Kontic] First, the further affirmation of all positive trends and the furthering of economic stability—in the sphere of prices, money, budget, social policy, and so on—of course, on the basis of the established macroeconomic balance.

Second, increasing economic activity and increasing the possibility of economic recovery, along with creating the conditions for increased investment activity.

Third, a more active buildup of a new economic system and the transformation of the federal administration.

Fourth, preparing for the normalization of cooperation with international financial and trade organizations.

[Nikolic] The official dinar exchange rate is going to be protected by economic measures, Prime Minister Kontic said, and he listed the following:

[Kontic] First, through interventions of the National Bank of Yugoslavia on the foreign exchange market, in order to increase the supplies of foreign exchange as needed for the necessary imports as well as for reviving money exchange operations with the population. Second, through maintaining price stability. Third, through a stable [word indistinct] policy, and fourth, by strengthening the deposit and credit bank operations. (?Finally), the stability of the dinar is going to be protected through the entire economic policy.

[Nikolic] The problem of the federal budget is going to be solved, above all, by reducing expenditure so as to ease burdens on the economy and pressure on wages as much as possible. In doing so, one has to keep two facts in mind: First, so far, the federal state has been executing certain functions envisaged by the Constitution insufficiently or not at all, above all due to the lack of material resources. Second, the problem of the federal budget is also specific because it failed to consistently solve the problem of stable financing. According to the Constitution, the only sources of revenue are custom duties and other imports levies.

[Kontic] This is why it is necessary to seek other sources of revenue, such as, above all, requiring a greater share on the part of the grey economy in paying taxes. The greatest reserves are certainly there. Then, increasing non-customs liabilities on those consumer goods the demand of which can be met by domestic industry in volume, choice, and quality.

It is also necessary to charge customs and other import duties more promptly, although a significant improvement has been made in this sphere recently. It is necessary to accelerate the realization of the program of selling federal commodity reserves and to increase the income resulting from the coordination of the level of federal administrative taxes, which is, by the way, established by the law this chamber adopted yesterday.

[Nikolic] Prime Minister Kontic listed an increase in economic activity and the continuation of the process of economic recovery as the strategic aims of the economic policy in the coming period. Finally, Prime Minister Kontic said the following:

[Kontic] [words indistinct] conclude that not only satisfying, but even enviable results have been realized, particularly if one keeps in mind the conditions under which we have lived and worked. One can claim without any exaggeration that a solid basis has been created for further dynamics in development in the coming period. One must say here that, thanks to such results and the expected lifting of sanctions, an ever increasing number of our partners abroad are showing increased interest in resuming cooperation, broadening it, and establishing new relations. This is another guarantee of our successful reintegration into the international community.

Esteemed deputies, the results that we have realized in the past year [corrects himself] in the past period of this year, confirm that the policy we have been leading is correct. I want to assure you that the Federal Government will remain firmly on the course of the realization of the stabilization program and that it will protect and implement it persistently and consistently. The program is in the interests of all citizens, and that fact lays an obligation on us. I expect all forces in our society, regardless of their party or other affiliations, to make their contribution to its implementation. [end recording]

Views 'Successes'

LD2809190894 Belgrade TANJUG in English 1717 GMT 28 Sep 94

["Pool" item]

[Text] Belgrade, Sept. 28 (TANJUG)—Yugoslav Prime Minister Radoje Kontic on Wednesday said this year's major economic policy objectives were being successfully accomplished.

In his report to the Federal Chamber of the bicameral Yugoslav Parliament, Kontic singled out the slashing of inflation and the price stabilization as the most salient successes.

Before the program of economic recovery took effect on January 24, inflation in January soared to over two million percent.

Prices in August were by more than ten percent lower than those in February this year, said Kontic.

The built-up economic activity, the continuing process of economic recovery and the normalized cooperation with international financial and trade organizations are the strategic goals of the economic policy in the immediate future, said Kontic.

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The prerequisites for these goals, said Kontic, have already been generated by the latest resolution of the U.N. Security Council in the area of air and sea traffic.

The U.N. Security Council on Friday adopted a resolution suspending selected sanctions against Yugoslavia in the areas of air and sea traffic, sports and culture, in recognition of Yugoslavia's acceptance of the Contact Group plan for Bosnia.

Serbia

Seselj Arrested Following Assembly Incident

AU2909100794 Paris AFP in English 0931 GMT 29 Sep 94

[Text] Belgrade, Sept 29 (AFP)—Serbian police on Thursday [29 September] arrested ultra-nationalist leader Vojislav Seselj as he left home on his way to his party headquarters, his bodyguard Petar Panic said.

Seselj, head of the Serbian Radical Party and leader of a Serb militia group said to have taken part in the fighting in Bosnia-Herzegovina, had his parliamentary immunity removed Wednesday after he spat at the speaker of the Yugoslav federal parliament, Radoman Bozovic.

Seselj Stripped of Immunity

LD2809224594 Belgrade TANJUG in English 2209 GMT 28 Sep 94

[Text] Belgrade, Sept. 28 (TANJUG)—Opposition Serbian Radical Party leader Vojislav Seselj was stripped of his deputy immunity Wednesday.

The decision was carried unanimously by the Yugoslav Parliament lower house Committee for Mandate and Immunity Issues at a session held behind closed doors.

Committee member Desimir Tosic, a deputy of the opposition Democratic Party, told reporters after the meeting that all four present committee members had voted for the decision.

Tosic said the decision had been adopted following a written proposal by lower house speaker Radoman Bozovic. The decision was also based on the members' knowledge of the incident which took place following the interruption of the lower house session on Tuesday.

During a meeting of the speaker and deputy club leaders on Tuesday, Seselj swore at Bozovic, spat at him and tried to attack him physically.

The lower house session was interrupted on Tuesday before this meeting when Serbian Radical Party deputy Maja Gojokovic refused to leave the floor after Bozovic had cut her off.

Bozovic then summoned deputy club leaders for consultations about continuing the session, but the incident with Seselj then took place.

Deputies of the Serbian Radical Party also caused an incident in Yugoslav Parliament in May this year.

At that time, one of the 34 deputies of this party spilled water over Bozovic, and when it was decided that he remove himself from the session, the deputies of his party surrounded him to prevent the execution of the decision.

A scuffle ensued with the assembly security guards.

A similar incident took place two months later in the Serbian legislature when the head of this deputy group Tomislav Nikolic also refused to leave the floor after being told to do so.

SRS Deputy Protests

AU2909103994 Belgrade Radio Beograd Network in Serbo-Croatian 1000 GMT 29 Sep 94

[Dragoljub Stankic report from the Serbian Assembly]

[Excerpt] Serbian Assembly Chairman Dragan Tomic opened the session some time after 1000. He informed the assembled deputies that 142 deputies were present at the session and that there is a quorum. He also said that 25 deputies had participated in yesterday's debate. Chairman Tomic was about to give the floor to the first deputy, but Serbian Radical Party [SRS] deputy Milorad Mircic took the floor and insisted that SRS leader Vojislav Seselj's arrest be discussed regardless of the agenda and—so he said—according to the rules of procedure. Assembly Chairman Dragan Tomic reprimanded him several times and turned off the microphone, but deputy Mircic continued to obstruct the session. Chairman Tomic then announced a 15-minute break. [passage omitted]

Bozovic Responds

LD2809201094 Belgrade TANJUG in English 1724 GMT 28 Sep 94

[Text] Belgrade, Sept. 28 (TANJUG)—Yugoslav Parliament Lower House Speaker Radoman Bozovic on Tuesday told party whips that the Monday session would be resumed at a later date, his office said.

The Lower House session, at which Yugoslav Prime Minister Radoje Kontic was to submit a report on the economic situation in Yugoslavia, was disrupted Monday due to an incident between Bozovic and Deputy Speaker Maja Gojkovic, member of the opposition Radical Party of Serbia.

Maja Gojkovic insisted that a debate on a recent expulsion of Radical Party leader Vojislav Seselj from the Yugoslav Republic of Montenegro be included in the agenda.

Bozovic asked her to yield the floor and when she refused, he adjourned the session and met with party whips to discuss its resumption on what he said were "regular conditions."

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The meeting resulted in another incident in which Bozovic and Seselj almost started a fight.

Governing Socialist Party of Serbia whip Nedeljko Sipovac said Tuesday that Bozovic would convene the session in the next few days.

Commenting on Bozovic's statement late on Monday that the session would not resume as long as the Yugoslav Government and the Ministry of Interior secured the Lower House with working conditions and removed aggressive MP's, Yugoslav Interior Minister Vukasin Jokanovic said his ministry had taken all the steps under its authority.

Jokanovic said the ministry performed its job in compliance with the law and within its authority.

"Everything that is being done in this building (the Yugoslav Parliament) must be in line with the Parliament's rules of procedure and everything the Ministry of Interior does must be in line with the law," said Jokanovic.

Border-Monitoring Head Discusses Objectives

AU2809212994 Paris AFP in English 2108 GMT 28 Sep 94

[Text] Belgrade, Sept 28 (AFP)—The ultimate objective of the international observer mission monitoring Serbia's blockade of the Bosnian Serbs is to gain control of all roads into Bosnia, the mission's head said here Wednesday.

Bo Pellnas told AFP his aim was to have his staff "work 16 to 18 hours a day and try to cover all routes leading to Bosnia" to monitor the blockade in line with the mission's mandate from the international conference on former Yugoslavia.

"Everything we have seen so far is OK," he said, adding that "the aim has been to quickly get an overall picture of all traffic passing 24 hours a day."

The mission led by Pellnas is charged with making sure that Serbia has not violated its pledge to sever all ties with Bosnian Serbs over their refusal to accept an international peace plan for Bosnia.

The mission will play a decisive role in the process of easing international sanctions against Belgrade, with the United Nations waiting on a report from the observer team prior to confirming the easing of the embargo.

Pellnas, a retired Swedish general, added that he hoped that the deployment of the observers would eventually lead to "every truck passing the border being checked and sealed."

The mission is currently staffed only by Scandinavian personnel. Pellnas said he hoped other nations including Canada, Russia and the United States would also participate.

Kosovo

LDK Official: Easing of Sanctions 'Not Welcome'

AU2809163794 Pristina KOSOVA DAILY REPORT No 452 in English 27 Sep 94

[Text] Commenting on the suspension of some international sanctions against Serbia, Dr. Fehmi Agani, LDK [Democratic League of Kosovo] vice-chairman said the news was not welcome in Kosova, although it was a temporary easing of the sanctions.

Dr. Agani said the easing of the sanctions came at a time when Serbia itself is instituting with brute force the sanctions it has impose against Kosova and Albanians.

LDK vice-chairman expressed his hope that the key economic and financial sanctions and the international boycott of Serbia cannot be suspended without the settlement of the "major Kosova issue." The opposite would mean rewarding aggression and the aggressor, Dr. Fehmi Agani said.

Rugova Views 'Global Albanian Policy'

AU2609170694 Tirana RILINDJA in Albanian 24 Sep 94 pp 1-2

[Interview with LDK leader Ibrahim Rugova by ATA correspondent Behlul Jashari in Prishtina on 23 September: "A Global Policy To Bring Down the Wall Between Albanians as Soon as Possible"]

[Text] Dr. Ibrahim Rugova, president of the republic of Kosova, speaks in an interview with ATA about the escalation of repression and terror in Kosova; avoiding conflict; the territorial defense of Kosova; Greek tendencies to destabilize the Balkans and relations with Albania and the Albanians; overall Albanian policy: the idea of confederal ties between Kosova and Albania; the solution of the Albanian question in all the ethnic territories of the former Yugoslavia; elections in the Kosova Democratic Alliance [LDK], Kosova's largest Albanian party; and other current issues.

[Jashari] Mr. President, international institutions and associations such as Amnesty International in its most recent report have expressed concern and anxiety at the accelerated escalation of repression and terror in Kosova. What is everyday reality like for the people of Kosova, viewed from close quarters?

[Rugova] For some years now in Kosova we have been subjected to daily and systematic repression, which escalates or intensifies in the case of certain incidents, such as the murders of the last two months. This large-scale repression in Kosova of course raises political tensions here and in the region. The repression has particularly increased since the departure of the CSCE mission from Kosova. Therefore, we ask for an international presence in Kosova, and also for Kosova to be a condition of the sanctions against Serbia and Montenegro.

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International institutions and associations are aware of the situation in Kosova, particularly Amnesty International, which has, it seems to me, been following developments since 1981, and especially in recent years. The Helsinki Federation of Vienna, Helsinki Watch in the United States, and many other international institutions are also monitoring the situation. We welcome all international interest and commitment to the cause of Kosova.

[Jashari] For a long time now, Kosova has been living between a state of undeclared war and a nonexistent peace. On what you have called this front of violence, how have Kosova and the Albanians managed to avoid open conflict and to remain a factor for stability in the region?

[Rugova] It is said that there is peace of one kind of another in Kosova. I would say that it is better that such a state of affairs exists than that worse should happen. We have succeeded in averting the possibility of a conflict through the policy of peace that we have so far pursued, through our peaceful political resistance, and also thanks to the people of Kosova, who have not responded to provocations. The people have made many sacrifices already. They have been subjected to ill-treatment and a repressive situation. There have been murders of different kinds. I might say that our resistance is not passive, as is often said. It is a highly organized form of resistance. We have succeeded in surviving and organizing our lives, thereby averting greater evil.

We must also look at the situation in Kosova on the basis of the situation in all the regions of the former Yugoslavia, because it is a region in the grip of war, with open war fronts in Bosnia and Croatia. In Kosova, there is a front of violence and repression. In this context, Kosova has contributed to preserving a kind of stability, rescuing what is essential, which is the human mass of Albanians in Kosova.

[Jashari] Greece has recently demonstrated new tendencies to destabilize the region. How do you judge these trends in relations to Albania, and also to Kosova and the Albanians in general?

[Rugova] Unfortunately, Greece has for some time been a factor of instability in the region, we might say in the wake of Serbia. We have therefore several times demanded that Greece, as an EU member, should contribute toward better neighborly relations with Albania and the Albanian people in general. If we can interpret this behavior as a direct or indirect link with Serbia, we can say that it is international, in order to minimize the Kosova issue internationally.

The Kosova question is now penetrating international circles as an issue demanding a solution on the basis of the will of the people of Kosova. By sowing problems with Albania, Greece, I repeat, wishes at all costs to minimize the problem of Kosova and, I might say, to help Serbia in this matter. However, Greece has no such right. We are dealing with a small Greek minority in Albania, which even beforehand enjoyed the same rights as all the citizens of Albania. Today meanwhile, following the democratic changes, these rights have indisputably increased and will continue to do so, as the Albanian Government and President Berisha have both demonstrated and promised. I therefore issue one more appeal to Greece to exert its influence in the future to calming the situation in the Balkans.

[Jashari] Because of the serious situation in Kosova and the dangers of the conflict spreading to the south, you have often called for international protection for Kosova. In what forms would this protection be possible and what is the international standpoint in connection with this demand?

[Rugova] We asked for protection for Kosova a year and a half ago, including an international civilian protectorate and a civilian administration to be established in Kosova for a time, in order to normalize life. There could then be talks with the Serbs about the future of Kosova. In this way, we hope that the Serbs will one day change their political thinking and will understand the issue of Kosova differently, as the Albanians do, rather than attempting to conceive it in an exclusively myth-making and mythological fashion.

On the international plane, the idea for the international protection of Kosova is being examined and taken into consideration. The possibilities of establishing protection and of how steps might be taken in this area are being studied. I might add that there is some misunderstanding about this among the Kosovar public. It must be realized that a protectorate or civilian administration is not an end in itself but purely a legal tool under international law, on the basis of the UN Charter, in order to calm down a region or a territory such as Kosova and to reach a solution without war and conflict. This will contribute toward achieving the independence for which the people of Kosova have declared themselves to be in favor.

[Jashari] Besides the readiness of the Albanians, declared long ago, there has been increased international insistence recently on dialogue between Prishtina and Belgrade. What possibilities and probabilities are there for the start of this dialogue?

[Rugova] I am pleased that this idea met with a response and was welcomed in this way by the international community, both at diplomatic and state level. Such an idea would facilitate a solution of the Kosova question. As I have said, if confederal ties are now being legalized between the Serbs of Bosnia and Serbia, then these must at all costs be embodied in law for the Albanians too. As is well known, confederal ties or unification with Albania is our third opinion in the Declaration of the Albanian Political Parties in the Former Yugoslavia, approved in 1991. However, the three options in this document depend on changes in the internal and external borders

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of the former Yugoslavia. Thus, a project involving confederal ties between Kosova and Albania is more feasible and could be achieved. Of course, this would facilitate many things in the Albanian, Balkan, and European integration that is at present under way and which we must regard as a process.

The document that I just mentioned is one with genuine vision, which has guided us in our general work, and has guided the political parties in creating and sustaining the institutions of Kosova.

[Jashari] You often stress global Albanian policy. To what extent has such a policy been achieved in practice, at a time when the Albanians are separated by many borders?

[Rugova] We can genuinely say that we have begun to achieve a global Albanian policy. Despite many obstacles facing Kosova, we have today cultural, educational, and political ties of cooperation. I have said this several times, but things have to be repeated: We Albanians are cooperating politically for the first time at least since 1912 and 1918, and especially since 1945.

Of course, this global Albanian policy respects the political will of the Albanians of Kosova, in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], in Montenegro, and in Presheve, Bujanoc, and Medvegje. This means that we have a vision of what we must do in this direction. I might say that a global Albanian policy is present every day and is being achieved step by step. It is not something abstract. For example, through a global Albanian policy, we hope that this wall between Albanians will fall as soon as possible.

It is according to the global policy that Albania is more than ever helping the cause of Kosova and the Albanian cause at international level. Similarly, Kosova with its institutions at home and abroad is also helping Albania; in this sphere, there is cooperation, understanding, and agreement, things that we Albanians did not previously possess. This is in any event a foundation giving promise of the fulfillment of Albanian aspirations in general. I think that many things have already been proven. After various matters that are the duty of our generation are accomplished, there will be an even greater and more fruitful global Albanian policy.

[Jashari] The Albanian political parties in the former Yugoslavia, though a joint document, have expressed their views and demands for a solution not only of Kosova but of the Albanian question in Macedonia, in Presheve, Bujanoc, and Medvegje, and in Montenegro. What would be the optimal solution here?

[Rugova] I have just said that this is a very important document that includes everything, including a vision of Albanian unity and integration. When we produced this document, one which holds good even today, the first option, which does not change internal borders, was for an independent and neutral Kosova open to Serbia and to Albania, with the Albanians of Macedonia as an important, state-forming element of this still-evolving state or republic, while the Albanians in Montenegro and in Presheve, Bujanoc, and Medvegje should have self-administration and local autonomy. All these what we might call Albanian segments have spoken out in their own way in the referendum of the people of Kosova, as well as those in Macedonia and in Presheve, Bujanoc, and Medvegje. The memorandum in Montenegro has the status of a referendum.

Therefore, on the basis of the situation that we have, we are concentrating on achieving the first option, which means working for the independence of Kosova and for the realization of the right of the Albanians of Macedonia to be a state-forming people in this republic. We are also working for the Albanians in the other ethnic territories in the former Yugoslavia to realize the rights that they have demanded.

In this sphere, many practical things have been accomplished. Let us not forget that the Albanian parties have taken over local government in Presheve and Ulgin. This is a first step, even though the communes do not at present have any power in Macedonia, Presheve, or Ulgin. Centralization was carried out after the disintegration of the former Yugoslavia, and the communes began to be deprived of their responsibilities. These responsibilities have now been reduced even further.

Meanwhile, we in Kosova, although occupied, have organized our lives and affirmed our cause, which is the project of independence. We have a foot in the door in Macedonia, and are present in institutions. Almost all the Albanian communes are under the control of Albanians. This work, this process, means that practical and pragmatic goals have been achieved. These are visible and tangible results.

[Jashari] As chairman of the Coordinating Council of the Albanian Political Parties in the Former Yugoslavia, what position do you take in connection with the Albanians' participation in the elections that have been announced in Macedonia?

[Rugova] The Coordinating Council of the Political Parties approves key documents and a global strategy. As chairman of this council, which is my responsibility as president of Kosova, I think that the Albanians in Macedonia should go to the polls in a coalition, in spite of the minor arguments that have taken place. These arguments are more or less normal during the course of a party's political development.

Therefore, the Albanians must gain as many seats as possible in parliament and then allocate them among the different parties or political groups. We must introduce compromise into Albanian political life, and not, please, just petrified and fixed agreements and fixed insistences. We must without fail introduce compromise, because it is one of the elements of democracy. We must free ourselves from the idea inculcated by the old system, in

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which the idea of compromise had negative connotations. We therefore need compromise today, with understanding, and forgiveness for mistakes. Everybody talks, and it is a good thing that they do, about one idea, about the national question, but the national question is a very practical thing. Therefore, in a situation of pluralism and understanding, I insist on compromise, and I hope that the Albanian political parties in Macedonia, even though there is little time left, will find the strength and opportunity to stand together as a bloc in the forthcoming elections. The important thing at this moment is to gain as many seats as possible in the Macedonian parliament. There is a mass of Albanians in Macedonia that must not lose their representatives, their right to representation in the parliament.

Let us not forget that, regardless of the difficulties that it has faced in this four-year period in Macedonia, the Albanian parliamentary group has achieved a great deal, and has affirmed its cause not only in international institutions but also in the institutions of the republic and in Albanian institutions in general, including Albanian political life.

[Jashari] The election and convening of the LDK presidium this week in practice marked an end to the elections within the largest and most influential party of the Albanians in Kosova. What is your opinion of these elections and of the attempts to discredit the LDK and the other Albanian parties?

[Rugova] These elections, including those at local level a year ago, in the LDK's branches and sub-branches, were very positive. We suffered a delay because of the circumstances under which we work, because it is not easy today to hold a large gathering like the LDK Assembly in this situation, in which every kind of public assembly is forbidden for the Albanians. The assembly was held and it demonstrated unity and consolidation. The LDK Presidium was also recently elected. I see this as a major success in this party's development, which also carries a burden of government in Kosova. This, therefore, is a presidium of continuity and consolidation, something that every party demonstrates. The elections showed that the LDK is a major force, organized and relevant in Kosova and the Albanian world. It is difficult to talk today about party profiles in Kosova, because under these difficult conditions of occupation every party, perhaps even the smallest, feels the burden of the national interests and Albanian interests in general. However, as a large organization, the LDK also showed that it is a strong party that knows what it wants and is strengthening itself from within. It is a party that attracts people of goodwill and with a desire to do something. This contradicts the various speculations that attempt to discount the Albanian movement in Kosova, and the LDK in particular, by claiming it is not democratic, not left-wing, not right-wing, etc. As we know, there was a great deal of manipulation concerning the left wing in Kosova, and thousands of people suffered because of this. All this was done on purpose. For example, there have been attempts to declare the LDK a terrorist party, and goodness knows what else.

In spite of everything, on this occasion too we saw a demonstration of the togetherness, consensus, and party unity that Kosova necessarily requires in this situation. I think that this will have a positive influence on Albanian political life in Kosova and in general.

[Jashari] Please comment once again on the Political Declaration approved by the LDK Second Assembly, and especially its vision of the future of Kosova.

[Rugova] The Political Declaration of the LDK Second Assembly is one in a series of documents we have presented, including the LDK Program and the Joint Declaration of all the Albanian political parties. This assembly and the declaration that it approved laid greater stress on the future organization of the state of Kosova that is also contained in our Constitution. It will be a state of equal people and citizens with a free market economy, open to the world. It will be a state in which revanchism against others, in the wake of the situation in which we currently find ourselves, will not be allowed. It will be a state with every guarantee for all the peoples that live in Kosova, in which nobody will be treated as a minority. This is an idea and project that has indeed met with understanding and support. In this situation in the Balkans, it is very hard for a person to talk about a civil national future, when, unfortunately, all these phantoms of madness in various forms and of confrontation are in circulation. This was one of the results of the LDK Second Assembly, and we are of course working in this sphere.

[Jashari] The Kosovar people came out in favor of such a state in the referendum for independence in September three years ago. Please give us your comment on the anniversary of this great event.

[Rugova] The referendum for an independent and neutral Kosova that was successfully held in the last days of September 1991 was a very important event. After the Constitutional Declaration and the Constitution of the Republic, it was a plebiscite demonstrating the wishes and will of the people, as outlined in the earlier documents. This referendum was of both Albanian and international importance, as an act in which the people of Kosova spoke out. It was followed by referenda in other Albanian territories, and then by free and multiparty elections, which led to the formation of the government authorized by this referendum, according to the situation in Kosova. It was an act that affirmed and was a guarantee of the present and future independence of Kosova.

Because we are in a serious situation, we often fail to appreciate certain steps that we have taken. I therefore wish to say that in the referendum the Albanians of Kosova and of all the other Albanian areas in the former Yugoslavia for the first time spoke out to the international community regarding their own overall interests,

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because the Albanians had never had the opportunity to declare themselves. There had previously been talk of such declarations, but the international community did not allow them. For instance, the people of Kosova did not have an opportunity to declare themselves in 1918 or during the years that followed; not during the Conference of Versailles, when the borders that we unfortunately still have today were definitively drawn; and not in 1945. Therefore, these referenda are very, very important events and I can say that they were respected at the London Conference in 1992, because Albanians from Kosova and other areas were invited to be representatives there. This was a small but very important step following the declarations issued by the Albanians.

[Jashari] Mr. President, thank you for this interview.

[Rugova] Thank you, I thank ATA for its reporting from and about Kosova. Even the fact that I have the opportunity to talk to this news agency, which represents Albania and the Albanian cause, is a step in global policy and in Albanian integration.

We too here in Kosova, through our Information Center, are attempting to establish a small news agency in order to report on the day-to-day situation in Kosova. There must be cooperation between these two institutions and with other institutions in Kosova and Albania.

German Delegation Holds Talks With Rugova

LD2809221694 Tirana Radio Tirana in English 1900 GMT 28 Sep 94

[Text] A parliamentary delegation of German parliament arrived for a three-day visit in Kosovo. It was received by the Kosovo president, Ibrahim Rugova. The delegation is headed by (Peter Roshenbach), the head of the German parliamentary group for relations with Albania. This delegation promised to mediate a dialogue between the Albanian and Serb sides to avoid the conflict and find the best solutions to the Kosovo issue.

In the meetings with the Kosovo personalities and political forces the German delegation deplored the tense situation in Kosovo and supported the peaceful orientation of the political forces in Kosova. (Roshenbach) said the international community should consider the willingness of the Albanians for dialogue and condition the uplifting of the sanctions to Serbia with a solution of this issue.

The German delegation was informed about the situation in Kosovo and Serbian repression. The escalation of the Serbian repression threatens to assume the proportions of a conflict with lots of casualties, not only for Kosovo but further afield.

Opposition Leader Given Prison Sentence

AU2809210694 Paris AFP in English 2040 GMT 28 Sep 94

[Text] Prizren, Yugoslavia, Sept 28 (AFP)—Ukshin Hoti, Albanian opposition leader in Kosovo, was sentenced Wednesday to five years in prison for promoting separatism and the unification of Serbia's southern region with Albania.

National Unity Party (UNIKOMB) President Hoti, arrested May 17, was accused of planning "to sabotage Serbian territorial integrity."

His trial in the Prizren Court in Kosovo opened Tuesday. No witnesses were allowed to give evidence.

After the sentence was announced, one of Hoti's five lawyers, Ismet Gashi, said the verdict had no basis.

"The Belgrade regime decided the sentence with the aim of suppressing Albanian political activity in Kosovo," he told AFP.

The National Unity Party is the most radical Albanian political group in Kosovo. It wants Albanian people there to proclaim a state of emergency as a form of "self-defence" against Serb "terror."

Albanians in Kosovo, representing 90 percent of the two million people living there, have unilaterally proclaimed an "Independent Republic of Kosovo" not recognised by the international community.

Since the beginning of the year, 63 Albanians in Kosovo have been sentenced for separatist activities.

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